

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

**1984**

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## STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

## SIXTY-FIRST DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 6, 1984

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 Father Alan W. Moss, Our Lady of Lourdes, Minneapolis, Minnesota.

Speaker Sieben introduced the new House member, Ben Boo, from District 8B and announced that he had previously been administered the oath of office and that his election certificate was on file. He was elected in an election held on November 8, 1983, following the resignation of Thomas R. Berkelman dated September 12, 1983.

The roll was called and the following members were present:

Anderson, G.	Evans	Kostohryz	Pauly	Skoglund
Anderson, R.	Findlay	Krueger	Peterson	Solberg
Battaglia	Fjoslien	Kvam	Piepho	Sparby
Beard	Forsythe	Larsen	Piper	Stadum
Begich	Frerichs	Long	Price	Staten
Bennett	Graba	Ludeman	Quinn	Sviggum
Bergstrom	Greenfield	Mann	Quist	Swanson
Bishop	Gruenes	Marsh	Redalen	Thiede
Blatz	Gustafson	McDonald	Reif	Temiason
Boo	Gutknecht	McEachern	Rice	Tunheim
Brandl	Halberg	McKasy	Riveness	Uphus
Brinkman	Haukoos	Metzen	Rodosovich	Valan
Burger	Heap	Minne	Rodriguez, C.	Valento
Carlson, D.	Heinitz	Munger	Rodriguez, F.	Vanasek
Carlson, L.	Himle	Murphy	Rose	Vellenga
Clark, J.	Hoffman	Nelson, D.	Sarna	Voss
Clark, K.	Hokr	Nelson, K.	Schafer	Walman
Cohen	Jacobs	Neuenschwander	Scheid	Welch
Coleman	Jennings	Norton	Schoenfeld	Welker
Dempsey	Jensen	O'Connor	Schreiber	Welle
DenOuden	Johnson	Ogren	Seaberg	Wenzel
Dimler	Kahn	Olsen	Segal	Wigley
Eken	Kalis	Omann	Shaver	Wynia
Elioff	Kelly	Onnen	Shea	Zaffke
Ellingson	Knickerbocker	Osthoff	Sherman	Speaker Sieben
Erickson	Knuth	Otis	Simoneau	

A quorum was present.



Anderson, B.; Hoberg; Levi and St. Onge were excused.

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

## REPORTS OF STANDING COMMITTEES

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 404, A bill for an act relating to taxation; increasing the deduction from gross income for amounts paid for dependent tuition, textbooks, and transportation expenses; amending Minnesota Statutes 1982, section 290.09, subdivision 22.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1 and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2, is amended to read:

Subd. 2. [ITEMIZED DEDUCTIONS.] Subject to the provisions of section 290.18, subdivision 1, an amount equal to the amount determined pursuant to section 63(f) of the Internal Revenue Code is allowed with the following adjustments:

(a) Add the amount paid to others not to exceed (\$500) \$850 for each dependent in grades K to 6 and (\$700) \$1,200 for each dependent in grades 7 to 12, for tuition, textbooks, and transportation of each dependent in attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and which adheres to the provisions of the Civil Rights Act of 1964 and chapter 363. As used in this clause, "textbooks" includes books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state. "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for, or transportation to, extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs;

(b) Add the amount of Minnesota and other states' estate or inheritance taxes which were allowed as a deduction under section 290.077, subdivision 4, on income in respect of a decedent;

(c) Add the amount by which the deduction for the taxable year allowed pursuant to subdivision 4 exceeds the amount determined pursuant to section 222 of the Internal Revenue Code;

(d) Subtract income taxes paid or accrued within the taxable year under this chapter;

(e) Subtract income taxes paid to any other state or to any province or territory of Canada if a credit is allowed for the taxes under section 290.081;

(f) If the deduction computed under section 164 of the Internal Revenue Code is not reduced by the amount of the credit or refund allowed under chapter 290A, subtract that amount;

(g) Subtract the amount of interest on investment indebtedness paid or accrued in a taxable year beginning before January 1, 1981, which has been carried forward and is allowed as a deduction in the taxable year under section 163(d) of the Internal Revenue Code;

(h) Subtract the amount of charitable contributions deducted under section 170 of the Internal Revenue Code that (i) exceeds the following limitations: (A) an overall limit of 30 percent of the taxpayer's Minnesota gross income which, for purposes of this paragraph, shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code; and (B) the aggregate of contributions to organizations described in section 290.21, subdivision 3, clause (c) shall not exceed 20 percent of the taxpayer's Minnesota gross income; or (ii) was deducted as a carryover under section 170(d) of the Internal Revenue Code."

Page 2, line 8, delete "1982" and insert "1983"

Amend the title as follows:

Page 1, line 5, delete "1982, section 290.09, subdivision"

Page 1, delete line 6 and insert "1983 Supplement, section 290.089, subdivision 2."

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. 432, A bill for an act relating to soil and water conservation; prohibiting in certain counties certain practices which cause accelerated erosion or sediment damage; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 40.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

*"Section 1. [PURPOSE.] It is the purpose of this act to encourage and guide the use of land in accordance with its capabilities, to treat it according to its needs, to prevent the degradation of lands, streams, and rivers, and to protect and promote the health, safety, and general welfare of the people.*

Sec. 2. [40.19] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] For the purposes of sections 3 to 10 the terms defined in this section have the meanings given them.*

*Subd. 2. [ACCELERATED EROSION.] "Accelerated erosion" means erosion that is more rapid than normal erosion or geologic erosion, is in excess of the soil loss limit, and is influenced primarily as a result of the activities of man.*

*Subd. 3. [ADMINISTRATIVE ORDER.] "Administrative order" means an order issued by county commissioners to notify an offending landowner of record that soil erosion is occurring in excess of limits specified in the county's regulations. The order shall contain a legal description of the offending party's property where erosion is taking place, state as nearly as possible the extent to which soil erosion thereon exceeds the limits established by the county's regulations, and specify time requirements by which measures to control the problem must be initiated and completed.*

*Subd. 4. [ANNUAL PLAN.] "Annual plan" means an annual program of work prepared by the soil and water conservation district according to the guidelines for annual planning published by the state board.*

*Subd. 5. [CONSERVATION PRACTICES, STANDARDS AND SPECIFICATIONS.] "Conservation practices, standards and specifications" means standards containing a definition, purpose, and conditions under which the practice applies includ-*

ing design requirements, and specifications containing a statement of details required for installing a conservation practice, including kinds, quality, and quantity of work and materials needed to meet the standards.

Subd. 6. [CONSTRUCTION ACTIVITY.] "Construction activity" means any physical disturbance by man of the land associated with construction activities which may result in sedimentation of adjacent lands or waters. These activities include, but are not limited to, clearing, grading, excavating, transporting, and filling lands.

Subd. 7. [EROSION.] "Erosion" means the process by which the surface of the land is worn away by the action of water, wind, or gravity.

Subd. 8. [GEOLOGIC EROSION.] "Geologic erosion" means the wearing away of the earth's surface by water, ice, or other natural agents under natural conditions, undisturbed by man.

Subd. 9. [LAND OCCUPIER.] "Land occupier" means a person, firm, corporation, municipality, or other legal entity who holds title to, or is in possession of any lands, whether as owner, lessee, renter, tenant, or otherwise. The term includes both the owner and the occupier of the land when they are not the same.

Subd. 10. [LONG-RANGE PLAN.] "Long-range plan" means a multi-year program of work prepared by the soil and water conservation district pursuant to Minnesota Statutes, section 40.07, subdivision 9.

Subd. 11. [NORMAL EROSION.] "Normal erosion" means the gradual erosion of land used by man which does not greatly exceed geologic erosion and where all reasonable soil and water conservation practices have been applied.

Subd. 12. [SEDIMENT.] "Sediment" means solid material, both mineral and organic, that is in suspension, is being transported, or has been moved from its site of origin by air, water, gravity, or ice, and has come to rest on the earth's surface.

Subd. 13. [SEDIMENTATION.] "Sedimentation" means the process or action of depositing sediment.

Subd. 14. [SOIL LOSS LIMIT.] "Soil loss limit" means the maximum amount of soil loss from water or wind erosion, expressed in tons per acre per year, that will be permitted by the county's regulations on a given soil.

Subd. 15. [SOIL AND WATER CONSERVATION PRACTICE.] "Soil and water conservation practice" or "practice" means a permanent or temporary vegetative or structural mea-

sure that when applied to the land will contribute to the control of wind and water erosion. Permanent practices include but are not limited to grassed waterways, terraces, field windbreaks, water control structures, grade stabilization structures, sediment retention structures, strip-cropping, and other permanent practices approved by the state soil and water conservation board. A permanent practice is deemed to have an effective life in excess of ten years. Temporary practices include conservation tillage, contour farming, grasses and legumes in rotation, emergency tillage, and any other cultural practices approved by the state soil and water conservation board.

Subd. 16. [SUPPLEMENTAL ORDER.] "Supplemental order" means an order supplemental to an administrative order and issued by county commissioners to notify an offending party that cost sharing for the required soil and water conservation practices has been approved. A supplemental order shall state time requirements by which measures to control the erosion problem must be initiated and completed. These time limits supersede the dates specified in an administrative order.

Subd. 17. [TECHNICAL GUIDE.] "Technical guide" means the guide developed by USDA Soil Conservation Service adopted by soil and water conservation districts containing technical information including methods and procedures by which the various types of erosion can be measured, and conservation practice standards and specifications required in the application of soil and water conservation practices.

### Sec 3. [40.20] [COUNTY EROSION CONTROL.]

The provisions of this act apply in all counties of the state which must adopt them by August 1, 1989. Each county shall adopt an erosion control and sedimentation ordinance as provided in section 4. If the governing body of a county which has adopted the provisions of this act and a local soil and water conservation district board agree, the soil and water conservation district board shall administer and enforce the provisions of the act within its jurisdictional area and the duties of the county as provided in this act shall be performed by the local soil and water conservation district.

### Sec. 4. [40.21] [PROMULGATION OF RULES BY THE STATE BOARD; PERIODIC REVIEW.]

The state soil and water conservation board, in consultation with counties, soil and water conservation districts, and other appropriate agencies, shall promulgate rules which shall serve as a guide to enable counties to carry out the provisions of this act. The rules developed by the state soil and water conservation board shall include:

(a) *A model ordinance which specifies the technical and administrative procedures required of a county to implement this act. The model ordinance shall be considered to be the minimum regulation to be adopted by each county.*

(b) *Administrative procedures required of the state soil and water conservation board for carrying out the provisions of this act.*

*At least once every two years the state soil and water conservation board shall review the rules in cooperation with counties, soil and water conservation districts, and appropriate agencies to ensure their continued applicability and relevance. The rules may be revised if deemed necessary by the state soil and water conservation board.*

**Sec. 5. [40.22] [ACCELERATED EROSION; SEDIMENTATION.]**

*Subdivision 1. [PROHIBITED ACTIVITIES.] A person may not cause, conduct, contract for, or authorize an activity which causes accelerated erosion or sedimentation.*

*Subd. 2 [AGRICULTURAL LAND.] A land occupier of agricultural land is not violating subdivision 1 if he is using farming methods which do not create accelerated erosion or sedimentation of adjoining land or water.*

*Subd. 3. [WOODLAND.] A land occupier who uses wooded land for pasture must ensure that proper management is used to prevent accelerated erosion or sedimentation of adjoining land or water due to overgrazing or cattle paths.*

**Sec. 6. [40.23] [EROSION CONTROL PLAN.]**

*A person engaged in construction activity that will disturb over one acre of land must include a proposed sedimentation control plan that will prevent sedimentation of adjoining land or water to the local soil and water conservation district.*

**Sec. 7. [40.24] [ENFORCEMENT.]**

*Subdivision 1. [COMPLAINT.] A land occupier adversely affected by accelerated erosion or sedimentation, or a federal, state, or local government official, may submit a verbal or written complaint against a land occupier alleging that accelerated erosion or sedimentation has occurred or is occurring. The complaint must be made to the county board of the county which contains the majority of the affected land. The complaint shall include the approximate dates and location of the alleged violation and describe the source, nature, and extent of the accelerated erosion or sedimentation alleged to have occurred or which is occurring.*

Sec. 8. [40.25] [INSPECTION OF LAND UPON COMPLAINT.]

*The commissioners of any county shall inspect or cause to be inspected any land within the county, upon receipt of a complaint that accelerated soil erosion or sedimentation is occurring there in excess of the limits established by the county's soil loss regulations. The burden of proof shall be on the county board to prove that an alleged violation exists. The complainant must be notified of the time of the investigation and will be given the opportunity to be present when the investigation is made. If the commissioners find that accelerated soil erosion or sedimentation is occurring on the land inspected, they shall issue an administrative order to the landowner of record, and to the occupant of the land if possible, describing the land and stating the extent to which soil erosion or sedimentation on the land exceeds the limits established by the county's regulations. The order shall be delivered either by personal service or by certified mail to each of the persons to whom it is directed, and shall state a time, not more than 90 days after service or mailing of the notice of the order, by which work needed to establish specific soil and water conservation practices to stop the accelerated erosion or sedimentation must be commenced, and a time not more than one year after the service or mailing of the notice of the order by which the work must be satisfactorily completed.*

Sec. 9. [40.26] [APPLICATION FOR COST-SHARING FUNDS.]

*Except in the case of a construction activity, no land occupier shall be required to establish soil and water conservation practices unless state cost-sharing funds have been specifically approved for that land and have been actually made available to the land occupier in an amount equal to at least 75 percent of the cost of the permanent soil and water conservation practices. The state soil and water conservation board shall review these requirements at least once each year, and may authorize districts in any particular case to provide a higher percentage of public cost sharing than is required by this section. To aid in this determination, the state board may consider the location of the affected area in relation to the priority areas as established in the district annual and long-range plans. Evidence that an application for state cost-sharing funds has been submitted to the soil and water conservation district shall constitute commencement of the work within the meaning of section 8. When notified of the approval of the application, the county commissioners shall issue to the same parties who received the original administrative order, or their successors in interest, a supplemental order, to be delivered in the same manner as provided by section 8. The supplemental order shall state a time, not more than 90 days after approval of the application for state cost-sharing funds, by which the work needed to comply*

*with the original administrative order shall actually be commenced, and a time not more than one year thereafter when the work is to be satisfactorily completed.*

Sec. 10. [40.27] [PENALTY.]

*A violation of this act is a misdemeanor."*

Amend the title as follows:

Page 1, line 3, after "counties" and before "practices" delete "certain"

Page 1, line 4, delete "sediment damage" and insert "sedimentation"

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. 1156, A bill for an act relating to the revisor of statutes; recodifying the laws governing the office of the revisor of statutes and the publication of Minnesota Statutes; amending Minnesota Statutes 1982, sections 15.18; 16.02, subdivision 24; 60B.01, subdivision 1; 336.1-101; 480.057; 524.1-101; and 609.01, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 645; proposing new law coded as Minnesota Statutes, chapter 3C; repealing Minnesota Statutes 1982, chapters 482 and 648.

Reported the same back with the following amendments:

Page 3, line 2, delete "*, economic, or social*"

Page 9, after line 10, insert:

*"Subd. 3. [SLIP LAWS.] In the time before Laws of Minnesota is published each year, the revisor's office shall furnish, upon request and without charge, a copy of each law or resolution to a member of the legislature, a legislative staff member, a constitutional officer, a justice of the supreme court, or a judge of the court of appeals."*

Page 9, after line 27, insert:



“(b) 30 copies to the court of appeals;”

Reletter the following clauses

Page 10, lines 25 and 27, delete “section 134.12 or 375.33” and insert “chapter 134”

Page 11, line 21, delete “The”

Page 11, delete lines 22 and 23

Page 11, line 25, before “Laws” insert “and”

Page 11, line 25, delete “, and pamphlets”

Page 11, after line 31, insert:

*“Revised Laws of Minnesota 1905, General Statutes of Minnesota 1913, General Statutes of Minnesota 1923, Mason’s Minnesota Statutes 1927, and supplements, appendix and addenda, or added volumes to these publications are prima facie evidence of the statutes contained in them in all courts and proceedings.”*

Page 14, delete section 21

Page 14, line 28, before “648.11” insert “645.03, 645.04, 645.05, 645.06,”

Renumber the sections

Amend the title as follows:

Page 1, line 7, after “480.057;” insert “and”

Page 1, line 7, delete “and 609.01, subdivision 2;”

Page 1, line 10, after “1982,” insert “sections 645.03; 645.04; 645.05; 645.06; and”

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. 1237, A bill for an act relating to education; establishing a program to require school districts to provide milk to all elementary and secondary pupils in public and nonpublic schools; appropriating money; proposing new law coded in Minnesota Statutes, chapter 124.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"MILK IN SCHOOLS PROGRAM**

**Section 1. [17.481] [MILK IN SCHOOLS PROGRAM; CITATION.]**

*Sections 1 to 7 may be cited as the Minnesota Milk In Schools Act.*

**Sec. 2. [17.482] [LEGISLATIVE FINDINGS; POLICY STATEMENT.]**

*The legislature finds that milk is a wholesome, nutritious, natural product that should be included in the diet of all Minnesotans. Milk is especially important for school students to improve learning ability and promote good health. The legislature further finds that substantial cuts in federal programs to provide milk to school students at reduced cost have resulted in greatly decreased per-student milk consumption, and that Minnesota's dairy farmers would benefit from increased milk consumption. It is therefore the policy of the legislature to promote milk consumption in schools through a voluntary program designed to make milk available to students, teachers, and support staff at a reduced cost.*

**Sec. 3. [17.483] [ESTABLISHMENT OF SCHOOL MILK ACCOUNT.]**

*The school milk account is created in the state treasury. All voluntary contributions to the milk in schools program shall be deposited in the school milk account. All money accruing and credited to the school milk account is appropriated to the department of agriculture to implement and operate the milk in schools program created by this act. All money in the school milk account shall remain available until expended. Any surplus money in the account may be invested by the state board of investment with all earned interest accruing to the account and any losses borne by the account. No obligation involving expenditure of money shall be entered into unless there is a balance in the account not otherwise encumbered to pay previous obligations.*

Sec. 4. [17.4831] [CONTRIBUTIONS TO SCHOOL MILK ACCOUNT.]

*A taxpayer or other person may make contributions to the school milk account by direct payment to the state treasurer or to the commissioner of agriculture. Contributions may also be made to an eligible school provided that the eligible school agrees to forward the contribution to the commissioner of agriculture for use in the milk in schools program. An eligible school which accepts contributions to the milk in schools program shall pay any contributions received to the commissioner of agriculture at intervals not exceeding three months.*

Sec. 5. [17.484] [MILK IN SCHOOLS PROGRAM.]

*Subdivision 1. [ADMINISTRATION.] The milk in schools program created by this act shall be administered by the commissioner of agriculture or his designee in consultation with the commissioner of education. The commissioner of agriculture in consultation with the commissioner of education may adopt rules and temporary rules for operation of the program. No temporary rules promulgated to initiate the program may remain in effect for more than 360 days after the effective date of this act. The state milk in schools program shall be coordinated with federal milk and school lunch programs operated by the department of education.*

*Subd. 2. [ELIGIBLE SCHOOLS.] "Eligible schools" means public school districts and nonpublic schools which operate educational programs for students in kindergarten through grade 12. "Eligible schools" may also include summer camps or educational programs in Minnesota for children ages five through 17 if the commissioner determines that adequate money is available in the school milk account.*

*Subd. 3. [ELIGIBLE MILK PRODUCTS.] The milk in schools program may be used to help eligible schools provide the following products to students: whole homogenized milk, "two percent" milk, chocolate flavored milk containing not less than two percent butterfat, and any other products that may be designated by rule. Eligible milk products may be delivered to eligible schools packaged in single serving containers or in larger quantities.*

*Subd. 4. [VALUE OF MILK IN SCHOOLS VOUCHERS.] The redemption value of each milk in schools voucher shall be established by rule. From the effective date of this act through June 30, 1985, the redemption value shall be 12 cents. Each voucher shall be applied to the purchase price of one eight-ounce serving of an eligible milk product. Vouchers may be issued in denominations deemed appropriate by the commissioner.*

*Subd. 5. [PROGRAM PROMOTION AND ADMINISTRATIVE COSTS.] Money in the school milk account shall be used only for reimbursement of milk in schools vouchers, program promotion costs, and administrative costs. In no event shall program promotion costs exceed two percent of disbursements from the account. Administrative fees retained by the department shall not exceed five percent of disbursements from the account.*

*Subd. 6. [APPLICATION FOR MILK IN SCHOOLS VOUCHERS.] Any eligible school may apply to the commissioner or his designee for milk in schools vouchers on forms provided by the commissioner. No eligible school may request more vouchers than the number calculated by multiplying pupil units times 0.25. All applications for milk in schools vouchers must be received by the commissioner or his designee not later than the 15th day of the month preceding the first month for which milk vouchers are requested.*

*Subd. 7. [DISTRIBUTION OF MILK IN SCHOOLS VOUCHERS.] The commissioner shall distribute vouchers to eligible schools which apply on the basis of money available in the school milk account. If requests for vouchers exceed money available in the school milk account, the commissioner shall distribute to each eligible school a percentage of its request equal to available vouchers divided by the number of voucher requests. Vouchers may be issued to eligible schools monthly or quarterly, as deemed appropriate by the commissioner.*

*An eligible school may distribute milk purchased in part by milk vouchers in a manner designed to maximize the benefits of the program. Preference may be based on specific age or grade levels, educational programs, or other reasonable factors.*

*Subd. 8. [REDEMPTION OF MILK IN SCHOOLS VOUCHERS.] Eligible schools may use milk in schools vouchers distributed by the commissioner in payment to milk vendors for eligible milk products. The milk vendor may redeem vouchers or, if the milk bottler agrees, the vendor may use the vouchers in payment to the milk bottler. The vendor or bottler may submit vouchers to the commissioner of agriculture or his designee not more frequently than once each month. Within 30 days of receiving vouchers from a vendor or bottler, the commissioner shall pay from the school milk account the redemption value of the vouchers. The commissioner shall adopt rules to prevent fraud in the handling and redemption of milk in schools vouchers.*

Sec. 6. [17.485] [ACCUMULATION OF EXCESS FUNDS.]

*If the accumulated balance in the school milk account exceeds the amount disbursed from the fund during the preceding 12-month period, the treasurer shall notify the commissioner of the excess. The commissioner shall thereafter refuse to accept further contributions to the account until the remaining balance has been reduced to a level adequate to cover disbursements for an eight-month period.*

Sec. 7. [17.486] [PUBLICITY.]

*The commissioner may prepare and distribute public notices and related materials informing the public of opportunities to contribute to the milk in schools program. The commissioner, in cooperation with the commissioner of education, shall also alert eligible schools to the availability of the program.*

Sec. 8. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 16. [SCHOOL MILK ACCOUNT CREDIT.] A taxpayer may elect to take as a credit against the tax imposed under this chapter for the taxable year an amount equal to 25 percent of contributions made during the taxable year to an eligible school or to the state of Minnesota for purposes of the milk in schools program. No amounts for which a credit is taken pursuant to this section may be again deducted under section 290.089 or 290.21.*

*If the amount of the credit for which a taxpayer is eligible under this subdivision exceeds his tax liability for the taxable year under this chapter, the excess is not refundable to the taxpayer but may be carried forward to the succeeding taxable year and added to the credit allowable for that year.*

Sec. 9. Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2, is amended to read:

*Subd. 2. [ITEMIZED DEDUCTIONS.] Subject to the provisions of section 290.18, subdivision 1, an amount equal to the amount determined pursuant to section 63(f) of the Internal Revenue Code is allowed with the following adjustments:*

(a) Add the amount paid to others not to exceed \$500 for each dependent in grades K to 6 and \$700 for each dependent in grades 7 to 12, for tuition, textbooks, and transportation of each dependent in attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and which adheres to the provisions of the Civil Rights

Act of 1964 and chapter 363. As used in this clause, "textbooks" includes books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state. "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for, or transportation to, extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs;

(b) Add the amount of Minnesota and other states' estate or inheritance taxes which were allowed as a deduction under section 290.077, subdivision 4, on income in respect of a decedent;

(c) Add the amount by which the deduction for the taxable year allowed pursuant to subdivision 4 exceeds the amount determined pursuant to section 222 of the Internal Revenue Code;

(d) Subtract income taxes paid or accrued within the taxable year under this chapter;

(e) Subtract income taxes paid to any other state or to any province or territory of Canada if a credit is allowed for the taxes under section 290.081;

(f) If the deduction computed under section 164 of the Internal Revenue Code is not reduced by the amount of the credit or refund allowed under chapter 290A, subtract that amount;

(g) Subtract the amount of interest on investment indebtedness paid or accrued in a taxable year beginning before January 1, 1981, which has been carried forward and is allowed as a deduction in the taxable year under section 163(d) of the Internal Revenue Code;

(h) Subtract the amount of charitable contributions deducted under section 170 of the Internal Revenue Code that (i) exceeds the following limitations: (A) an overall limit of 30 percent of the taxpayer's Minnesota gross income which, for purposes of this paragraph, shall include the ordinary income portion of a lump sum distribution as defined in section 402(e) of the Internal Revenue Code; and (B) the aggregate of contributions to organizations described in section 290.21, subdivision 3, clause (c) shall not exceed 20 percent of the taxpayer's Minnesota gross income; (OR) (ii) was deducted as a carryover under section 170(d) of the Internal Revenue Code; or (iii) for which a credit was taken under section 8.

## Sec. 10. [APPROPRIATION.]

*\$ . . . . . is appropriated from the general fund to the commissioner of agriculture for adoption of rules to implement the milk in schools program and for initial publicity concerning the program. \$ . . . . . is appropriated to the school milk account.*

## Sec. 11. [EFFECTIVE DATE.]

*Sections 1 to 10 are effective the day following final enactment. Contributions to the milk in schools program received after the effective date are eligible for tax benefits set forth in sections 8 and 9."*

Delete the title and insert:

"A bill for an act relating to agriculture; establishing a program to encourage milk consumption in schools; creating a special account in the treasury; appropriating money; amending Minnesota Statutes 1982, section 290.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2; and proposing new law coded in Minnesota Statutes, chapter 17."

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

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1279, A bill for an act relating to crimes; providing for the admissibility of certain sexual abuse victims' statements as evidence; defining the crime of indecent liberties; increasing the age limits of minor victims in the definitions of criminal sexual conduct offenses; clarifying responsibility for payment of costs of medical examinations of criminal sexual conduct or intrafamilial sexual abuse victims; amending Minnesota Statutes 1982, sections 595.02; 609.342; 609.343; 609.344; 609.345; 609.346; and 609.35; proposing new law coded in Minnesota Statutes, chapter 609.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"Section 1. [260.156] [CERTAIN OUT-OF-COURT STATEMENTS ADMISSIBLE.]**

*An out-of-court statement made by a child under the age of ten years describing any act of sexual contact or penetration performed with or on the child by another, not otherwise admissible by statute or rule of evidence, is admissible in evidence in any dependency or neglect proceeding or any proceeding for termination of parental rights if:*

*(1) the court finds that the evidence is necessary, and that the time, content, and circumstances of the statement provide sufficient indicia of reliability; and*

*(2) the proponent of the statement notifies other parties of the proponent's intention to offer the statement and the particulars of the statement sufficiently in advance of the proceeding at which he intends to offer the statement into evidence, to provide the parties with a fair opportunity to meet the statement.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 260.315, is amended to read:

**260.315 [CONTRIBUTING TO NEGLECT OR DELINQUENCY.]**

**Any person who by act, word or omission encourages, causes or contributes to the neglect or delinquency of a child, or to a child's status as a habitual truant, runaway, juvenile petty offender, juvenile alcohol offender, or juvenile controlled substance offender, is guilty of a misdemeanor.**

Sec. 3. Minnesota Statutes 1982, 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) *describing any act of sexual contact or penetration performed on or with the child by another*

*if the child 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 (;). Except as otherwise provided in section 1, an out-of-court statement made by a child under the age of ten years describing any act of sexual contact or penetration performed with or on the child by another, not otherwise admissible by statute or rule of evidence, is admissible in evidence if:*

*(a) The court finds, in a hearing conducted outside of the presence of the jury, that the evidence is necessary, that the time, content, and circumstances of the statement provide sufficient indicia of reliability; and*

*(b) The child either:*

*(1) testifies at the proceedings; or*

*(2) is unavailable as a witness if there is corroborative evidence of the act; and*

*(c) The proponent of the statement notifies the adverse party of the proponent's intention to offer the statement and the particulars of the statement, sufficiently in advance of the proceeding at which he intends to offer the statement into evidence, to provide the adverse party with a fair opportunity to prepare to meet the statement.*

(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 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. 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 supervisor in a crisis center, whose primary purpose is to render advice, counseling or assistance to victims of sexual assault.

Sec. 4. Minnesota Statutes 1982, section 609.341, subdivision 11, is amended to read:

Subd. 11. “Sexual contact” includes any of the following acts committed without the complainant's consent, if the acts can reasonably be construed as being for the purpose of satisfying the actor's sexual or aggressive impulses, except in those cases where consent is not a defense:

(i) The intentional touching by the actor of the complainant's intimate parts, or

(ii) The touching by the complainant of the actor's, the complainant's, or another's intimate parts effected by coercion

or the use of a position of authority, or by inducement if the complainant is under 13 years of age or mentally defective, or

(iii) The touching by another of the complainant's intimate parts effected by coercion or the use of a position of authority, or

(iv) In any of the cases above, of the clothing covering the immediate area of the intimate parts.

Sec. 5. Minnesota Statutes 1982, section 609.341, subdivision 14, is amended to read:

Subd. 14. "Coercion" means (A THREAT TO) *words or circumstances which cause the complainant to reasonably fear that the actor will unlawfully inflict bodily harm upon, or (HOLD IN CONFINEMENT, THE PERSON THREATENED) unlawfully confine the complainant or another.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 609.342, is amended to read:

609.342 [CRIMINAL SEXUAL CONDUCT IN THE FIRST DEGREE.]

A person is guilty of criminal sexual conduct 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, if he engages in sexual penetration with another person and if any of the following circumstances exists:

(a) The complainant is under 13 years of age and the actor is more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

(b) The complainant is at least 13 but less than (16) 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the complainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

(c) Circumstances existing at the time of the act cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another; or

(d) The actor is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to

reasonably believe it to be a dangerous weapon and uses or threatens to use the weapon or article to cause the complainant to submit; or

(e) The actor causes personal injury to the complainant, and either of the following circumstances exist:

(i) The actor uses force or coercion to accomplish sexual penetration; or

(ii) The actor knows or has reason to know that the complainant is mentally defective, mentally incapacitated, or physically helpless; or

(f) The actor is aided or abetted by one or more accomplices within the meaning of section 609.05, and either of the following circumstances exists:

(i) An accomplice uses force or coercion to cause the complainant to submit; or

(ii) An accomplice is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant reasonably to believe it to be a dangerous weapon and uses or threatens to use the weapon or article to cause the complainant to submit.

Sec. 7. Minnesota Statutes 1983 Supplement, section 609.343, is amended to read:

**609.343 [CRIMINAL SEXUAL CONDUCT IN THE SECOND DEGREE.]**

A person is guilty of criminal sexual conduct in the second degree and may be sentenced to imprisonment for not more than 15 years or to payment of a fine of not more than \$15,000, or both, if he engages in sexual contact with another person and if any of the following circumstances exists:

(a) The complainant is under 13 years of age and the actor is more than 36 months older than the complainant. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense. In a prosecution under this clause, the state is not required to prove that the sexual contact was coerced; or

(b) The complainant is at least 13 but less than (16) 18 years of age and the actor is more than 48 months older than the complainant and in a position of authority over the com-

plainant, and uses this authority to cause the complainant to submit. Neither mistake as to the complainant's age nor consent to the act by the complainant is a defense; or

(c) Circumstances existing at the time of the act cause the complainant to have a reasonable fear of imminent great bodily harm to the complainant or another; or

(d) The actor is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and uses or threatens to use the dangerous weapon to cause the complainant to submit; or

(e) The actor causes personal injury to the complainant, and either of the following circumstances exist:

(i) The actor uses force or coercion to accomplish the sexual contact; or

(ii) The actor knows or has reason to know that the complainant is mentally defective, mentally incapacitated, or physically helpless; or

(f) The actor is aided or abetted by one or more accomplices within the meaning of section 609.05, and either of the following circumstances exists:

(i) An accomplice uses force or coercion to cause the complainant to submit; or

(ii) An accomplice is armed with a dangerous weapon or any article used or fashioned in a manner to lead the complainant to reasonably believe it to be a dangerous weapon and uses or threatens to use the weapon or article to cause the complainant to submit.

Sec. 8. Minnesota Statutes 1982, section 609.346, is amended to read:

609.346 [SUBSEQUENT OFFENSES.]

Subdivision 1. [DEFINITION; CONVICTION OF OFFENSE.] *For purposes of this section, the term "offense" means a completed offense or an attempt to commit an offense.*

Subd. 2. [SUBSEQUENT OFFENSE; PENALTY.] If a person is convicted of a second or subsequent offense under sections 609.342 to 609.345 or sections 609.364 to 609.3644

within 15 years of the prior conviction, the court shall commit the defendant to the commissioner of corrections for imprisonment for a term of not less than three years, nor more than the maximum sentence provided by law for the offense for which convicted, notwithstanding the provisions of sections 242.19, 243.05, 609.11, 609.12 and 609.135.

Subd. (2) 3. [PRIOR CONVICTIONS UNDER SIMILAR STATUTES.] For the purposes of this section, an offense is considered a second or subsequent offense if, prior to conviction of the second or subsequent offense, the actor has been at any time convicted under sections 609.342 to 609.346 or sections 609.364 to 609.3644 or under any similar statute of the United States, or this or any other state.

Sec. 9. Minnesota Statutes 1982, section 609.347, subdivision 3, is amended to read:

Subd. 3. In a prosecution under sections 609.342 to 609.346 or 609.3641 to 609.365, evidence of the complainant's previous sexual conduct shall not be admitted nor shall any reference to such conduct be made in the presence of the jury, except by court order under the procedure provided in subdivision 4, and only to the extent that the court finds that any of the following proposed evidence is material to the fact at issue in the case and that its inflammatory or prejudicial nature does not outweigh its probative value:

(a) When consent or fabrication by the complainant is the defense in the case, evidence of such conduct tending to establish a common scheme or plan of similar sexual conduct under circumstances similar to the case at issue on the part of the complainant, relevant and material to the issue of consent or fabrication. Evidence of such conduct engaged in more than one year prior to the date of alleged offense is inadmissible;

(b) Evidence of specific instances of sexual activity showing the source of semen, pregnancy, or disease at the time of the incident or, in the case of pregnancy, between the time of the incident and trial;

(c) Evidence of the complainant's past sexual conduct with the defendant;

(d) For purposes of impeachment, when such evidence is offered to rebut specific testimony of the complainant.

Sec. 10. Minnesota Statutes 1982, section 609.364, subdivision 9, is amended to read:

Subd. 9. [FAMILIAL RELATIONSHIP.] "Familial relationship" means a situation in which the actor is:

(a) The complainant's parent, stepparent, or guardian;

(b) (NEARER OF KIN TO THE COMPLAINANT THAN FIRST COUSIN, COMPUTED BY RULES OF THE CIVIL LAW, WHETHER OF THE HALF OR THE WHOLE BLOOD;)

((C)) Any of the following persons related to the complainant by *blood*, marriage, or adoption: brother, sister, stepbrother, stepsister, first cousin, aunt, uncle, nephew, niece, grandparent, great-grandparent, great-uncle, great-aunt; or

((D)) (c) An adult who jointly resides intermittently or regularly in the same dwelling as the complainant and who is not the complainant's spouse.

Sec. 11. Minnesota Statutes 1982, section 626.556, subdivision 8, is amended to read:

Subd. 8. [EVIDENCE NOT PRIVILEGED.] No evidence (REGARDING THE CHILD'S INJURIES) *relating to the neglect or abuse of a child or to any prior incidents of neglect or abuse involving any of the same persons accused of neglect or abuse* shall be excluded in any proceeding arising out of the alleged neglect or physical or sexual abuse on the grounds of (EITHER A PHYSICIAN-PATIENT OR HUSBAND-WIFE) *privilege set forth in section 595.02, clause (1), (4), or (7).*

Sec. 12. [SEVERABILITY.]

*If any provision of sections 1 to 11 is found to be unconstitutional and void, it shall be severable from the remaining provisions of sections 1 to 11.*

Sec. 13. [EFFECTIVE DATE.]

*Sections 1, 3, 9, 11, and 12 are effective August 1, 1984. Sections 2, 4 to 8, and 10 are effective August 1, 1984, and apply to crimes committed after that date."*

Delete the title and insert:

"A bill for an act relating to crimes; clarifying the crime of contributing to the delinquency of a minor; providing for the admissibility of certain statements as evidence; expanding the definitions of sexual contact and coercion; increasing the age limit of minor victims protected under criminal sexual conduct offenses; clarifying certain terms; amending Minnesota Stat-



utes 1982, sections 595.02; 609.341, subdivisions 11 and 14; 609.-346; 609.347, subdivision 3; 609.364, subdivision 9; and 626.556, subdivision 8; Minnesota Statutes 1983 Supplement, sections 260.315; 609.342; and 609.343; proposing new law coded in Minnesota Statutes, chapter 260."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1288, A bill for an act relating to weights and measures; exempting certain petroleum pumps and meters from certain inspection fees; establishing a set fee; amending Minnesota Statutes 1982, sections 239.10 and 296.13.

Reported the same back with the following amendments:

Page 1, line 22, delete "product" and insert "products"

Page 2, delete section 2, and insert:

"Sec. 2. Minnesota Statutes 1982, section 296.13, is amended to read:

#### 296.13 [INSPECTION FEES.]

An inspection fee shall be charged on petroleum products when received by the distributor, and on petroleum products received and held for sale or use by any person when such petroleum products have not theretofore been received by a licensed distributor. *Prior to January 1, 1985, the fee charged shall be uniform and in an amount determined by the commissioner but not to exceed one and three-quarters cents per 50 gallons. Beginning January 1, 1985, the commissioner shall adjust the inspection fee to recover the amount appropriated for petroleum product quality inspection expenses and the amount appropriated for the inspection and testing of petroleum product measuring devices as required by chapter 239. The commissioner shall review and adjust the inspection fee as required by section 16A.128 but notwithstanding section 16A.128, the review of the fee shall occur annually on or before January 1, of each year.*

Credit shall be allowed the distributor by the commissioner for inspection fees previously paid in error or on any material exported or sold for export from the state upon filing of a report in a manner approved by the commissioner."

Page 2, line 18, delete "1983" and insert "1984"

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

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1291, A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 8; removing the constitutional restrictions on permanent school fund investments; establishing statutory restrictions; amending Minnesota Statutes 1982, section 11A.16, subdivision 4.

Reported the same back with the following amendments:

Page 1, line 26, delete "may" and insert "shall"

Page 3, line 1, strike "his" and insert "the issuer's"

Page 3, line 6, delete "restrictions" and insert "limits"

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

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1304, A bill for an act relating to crimes; providing a penalty for theft of a firearm; providing a penalty for possession of a stolen firearm; amending Minnesota Statutes 1982, sections 609.52, subdivision 3; and 609.53, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3, is amended to read:

Subd. 3. [SENTENCE.] Whoever commits theft may be sentenced as follows:

(1) To imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both, if the value of the property or services stolen exceeds \$2,500, or if the property stolen was a controlled substance listed in schedule 1 or 2 pursuant to section 152.02 with the exception of marijuana; or

(2) To imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both, if the value of the property or services stolen is more than \$250 but not more than \$2,500, or if the property stolen was a controlled substance listed in schedule 3, 4, or 5 pursuant to section 152.02; or

(3) To imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both, notwithstanding the value of the property or services stolen is not more than \$250, if any of the following circumstances exist:

(a) The property is taken from the person of another or from a corpse, or grave or coffin containing a corpse; or

(b) The property taken is a record of a court or officer, or a writing, instrument or record kept, filed or deposited according to law with or in the keeping of any public officer or office; or

(c) The property is taken from a burning building or upon its removal therefrom, or from an area of destruction caused by civil disaster, riot, bombing, or the proximity of battle; or

(d) The property taken consists of public funds belonging to the state or to any political subdivision or agency thereof; or

(e) *The property taken is a firearm; or*

(4) To imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both, if the property stolen is an article representing a trade secret; or if the property stolen is an explosive or an incendiary device; or

(5) In all other cases where the value of the property or services stolen is \$250 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$500, or both, provided, however, in any prosecution under clause (1), clause (2), clause (3)(a), (b) and (c), clause (4), and clause (13) of subdivision 2 the value of the money or property received by the defendant in violation of any one or more of the

above provisions within any six month period may be aggregated and the defendant charged accordingly in applying the provisions of this subdivision; provided that when two or more offenses are committed by the same person in two or more counties, the accused may be prosecuted in any county in which one of the offenses was committed for all of the offenses aggregated under this paragraph.

Sec. 2. Minnesota Statutes 1982, section 609.53, subdivision 1, is amended to read:

Subdivision 1. [PENALTY.] Any person who receives, possesses, transfers, buys or conceals any stolen property or property obtained by robbery, knowing or having reason to know the property was stolen or obtained by robbery, may be sentenced as follows:

(1) If the value of the property received, bought or concealed is \$1,000 or more, to imprisonment for not more than ten years or to payment of a fine of not more than \$10,000, or both;

(2) If the value of the property received, bought or concealed is less than \$1,000, but more than \$300, to imprisonment for not more than five years or to payment of a fine of not more than \$5,000, or both;

(3) If the value of the property received, bought or concealed is \$300 or less, to imprisonment for not more than 90 days or to payment of a fine of not less than \$500, or both;

(4) *Notwithstanding the value of the property, if the property received, bought, or concealed is a firearm, to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.*

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective August 1, 1984, and apply to all crimes committed on or after that date."*

Amend the title as follows:

Page 1, delete lines 5 to 6, and insert: "section 609.53, subdivision 1; and Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

S. F. No. 214, A bill for an act relating to traffic regulations; requiring the use of seat belts by motor vehicle passengers; prohibiting a surcharge for failure to use seat belts; requiring insurers to reduce premium rates if claim amounts are reduced; amending Minnesota Statutes 1982, sections 65B.133, subdivision 5; and 169.685, by adding subdivisions.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 169.685, is amended by adding a subdivision to read:

*Subd. 3a. Except as provided in this subdivision and subdivision 5, no person may drive or ride in a motor vehicle which is required to be equipped with seat belts under subdivision 1 unless wearing a seat belt that is provided for use in the vehicle.*

*If the person who violates this subdivision:*

*(1) has a driver's license that has been marked as conditional under section 171.09;*

*(2) has a limited license issued under section 169.123 or 171.30;*

*(3) is driving, operating, or in physical control of a motor vehicle in violation of section 169.121, subdivision 1; or*

*(4) is under the age of 19 or who holds an instruction permit;*

*the violation is a petty misdemeanor, except that the maximum fine for a violator described in clause (4) is \$25. If the person violating this subdivision is not described in clause (1), (2), (3), or (4) no penalty may be imposed for the violation except a hazard warning given by the peace officer.*

*This requirement does not apply to:*

*(a) a person driving a motor vehicle in a rearward direction;*

*(b) a person who has been issued by the department of public safety a certificate which certifies that, because of medical unfitness or physical disability, it is impracticable, unde-*

sirable, or inexpedient that the person wear a seat belt. The commissioner of public safety may adopt rules governing the issuance of certificates;

(c) a person who is actually engaged in work which requires him to alight from and reenter a motor vehicle at frequent intervals and who, while engaged in that work, does not drive or travel in the vehicle at a speed exceeding 25 miles per hour;

(d) a person who is operating or riding in a motor vehicle which is not required to be equipped with seat belts under subdivision 1; and

(e) a person riding in a seat of a motor vehicle in which all the seating positions equipped with safety belts are occupied by other persons.

The commissioner of public safety, by rule promulgated pursuant to the Administrative Procedure Act, may exempt certain additional classes of persons from the provisions of this subdivision if he determines the exemptions are necessary by reason of body size or by reason of occupational requirements and will not materially affect the safety of the class of persons exempted.

Sec. 2. Minnesota Statutes 1982, section 171.09, is amended to read:

171.09 [COMMISSIONER MAY IMPOSE RESTRICTIONS.]

*Subdivision 1. [AUTHORITY.]* The commissioner shall have the authority, when good cause appears, to impose restrictions suitable to the licensee's driving ability or such other restrictions applicable to the licensee as the commissioner may determine to be appropriate to assure the safe operation of a motor vehicle by the licensee. The commissioner may, upon receiving satisfactory evidence of any violation of the restrictions of such license, suspend or revoke the same, but the licensee shall be entitled to a hearing, as provided herein.

It shall be unlawful for any person to operate a motor vehicle in any manner in violation of the restrictions imposed in a restricted license issued to him.

*Subd. 2. [CONDITIONAL DRIVER'S LICENSE.] (a)* When the commissioner has revoked the license of any person for a violation of section 169.121 or 169.123, a new license issued to the person must be marked as a conditional license for a period of five years less the revocation period required by law for the violation.

(b) *When the commissioner receives notice that a person has been convicted of violating section 169.13, subdivision 1 or 609.21, he shall forthwith require the person's license to be returned to the commissioner and marked as a conditional license for a period of five years less any revocation or suspension.*

(c) *When the commissioner restores a license which had been suspended for a violation of section 169.13, subdivision 1 or 609.21, or issues a new license following a revocation for a violation of those provisions, he shall mark the restored or new license as a conditional license for a period of five years less the revocation or suspension period. A conditional driver's license which is renewed must be marked as conditional for the remainder of the period for which the conditional marking is required. A person holding a conditional license may exchange the license for one not so marked at the expiration of the period during which marking is required."*

Delete the title and insert:

"A bill for an act relating to highway traffic regulations; requiring certain persons to use seat belts when operating or riding in a motor vehicle; authorizing the issuance of conditional driver's license; amending Minnesota Statutes 1982, sections 169.685, by adding a subdivision; and 171.09, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 404, 432, 1156, 1279 and 1304 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 214 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following recess bill introductions were prefiled with the Speaker. Pursuant to House Rule 9.5 these bills were given a file number and referred to committee.

Cohen introduced:

H. F. No. 1370, A bill for an act relating to taxation; providing an income tax checkoff for support of the arts; proposing new law coded in Minnesota Statutes, chapter 290.

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

Hokr, Eken, Pauly, Norton and Olsen introduced:

H. F. No. 1371, A bill for an act relating to state government; providing for a day care center for state employees in the capitol complex; amending Minnesota Statutes 1982, section 16.02, by adding a subdivision.

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

Valan, Dimler, Levi and Heap introduced:

H. F. No. 1372, A bill for an act relating to economic development; removing the preference for Minnesota residents in the awarding of public contracts; removing the preference for Minnesota labor and materials; repealing Laws 1983, chapter 336.

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

Ogren, Piepho, Zaffke, Riveness and Gustafson introduced:

H. F. No. 1373, A bill for an act relating to commerce; requiring state agencies to make prompt payment for the purchase or lease of goods and services; requiring agencies to pay interest penalties on late payments; requiring an annual report to the legislature on agency payment records; proposing new law coded in Minnesota Statutes, chapter 16.

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



Johnson introduced :

H. F. No. 1374, A bill for an act relating to taxation; sales; redefining occasional sales; amending Minnesota Statutes 1982, section 297A.25, subdivision 1, as amended.

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

Findlay and Uphus introduced :

H. F. No. 1375, A bill for an act relating to taxation; repealing the aggregate tax for Stevens, Pope, and Traverse counties; amending Minnesota Statutes 1982, section 298.75, subdivision 1, as amended.

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

Bergstrom, Wenzel, Eken, Redalen and Sieben introduced :

H. F. No. 1376, A bill for an act establishing an agricultural resource loan guaranty program, board, and fund, and the terms of guaranties by the state of project loans in the program; appropriating money, taxes, tax increments, and other governmental charges; authorizing the issuance of state bonds; amending Minnesota Statutes 1982, sections 290.01, by adding a subdivision; 297A.44, subdivision 1; 362A.01, subdivision 1; and 362A.05; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapter 362A.

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

Scheid, Riveness, Quinn, Kostohryz and Knuth introduced :

H. F. No. 1377, A bill for an act relating to local government; providing for supplemental local government aid payments to certain cities and towns; appropriating money.

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

Welch introduced:

H. F. No. 1378, A bill for an act relating to public welfare; providing for membership on hospital planning committees; requiring hospital planning committees to assess local and regional mental health systems and to recommend alternative uses of state hospital facilities; imposing certain duties relating to planning for use of state hospital facilities on the commissioners of public welfare, health, and administration; creating a joint legislative committee on uses of state hospital facilities; amending Minnesota Statutes 1982, section 246.022, subdivision 1, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 246.

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

Sparby, Tunheim, Graba, Redalen and Onnen introduced:

H. F. No. 1379, A bill for an act relating to taxation; providing for computation and distribution of state aids to towns; amending Minnesota Statutes 1982, section 477A.013, subdivision 2, as amended.

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

Price; Solberg; Hoffman; Anderson, B., and McEachern introduced:

H. F. No. 1380, A bill for an act relating to education; requiring school boards to publish the amount paid to labor contract negotiators; amending Minnesota Statutes 1982, section 123.71, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 123.

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

Johnson introduced:

H. F. No. 1381, A bill for an act relating to public libraries; providing for library board members and terms; amending Minnesota Statutes 1982, section 134.09, subdivisions 1, as amended, and 2, as amended.

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

Bishop; Clark, J.; Kelly; Vanasek and Halberg introduced:

H. F. No. 1382, A bill for an act relating to crimes; providing for the manner of modifying sentencing guidelines; amending Minnesota Statutes 1982, section 244.09, subdivisions 5, 11, as amended, and by adding a subdivision.

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

Nelson, D., introduced:

H. F. No. 1383, A bill for an act relating to highway traffic regulations; providing for criminal penalties upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a chemical test; amending Minnesota Statutes 1982, section 169.123, subdivisions 2, as amended; 5a; and 6, as amended.

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

Jacobs introduced:

H. F. No. 1384, A bill for an act relating to taxation; income; providing a credit for blood donation; amending Minnesota Statutes 1982, section 290.06, by adding a subdivision.

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

O'Connor and Sarna introduced:

H. F. No. 1385, A bill for an act relating to health; changing eligibility requirements for catastrophic health expense protection; including insurance premiums; appropriating money; amending Minnesota Statutes 1982, sections 62E.52, subdivisions 2 and 3; 62E.53, subdivisions 1 and 2; 62E.531, subdivision 2; 62E.54, by adding a subdivision; and 256.98; proposing new law coded in Minnesota Statutes, chapter 62E.

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

Clark, J.; Seaberg and Greenfield introduced:

H. F. No. 1386, A bill for an act relating to domestic abuse; authorizing intervention by the juvenile court to protect children from domestic abuse; amending Minnesota Statutes 1982, section 518B.01, subdivisions 3 and 4; and Minnesota Statutes 1983 Supplement, section 518B.01, subdivision 6.

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

Beard and Sarna introduced:

H. F. No. 1387, A bill for an act relating to commerce; reducing the preference for resident bidders on state contracts from ten percent to five percent; broadening the definition of "resident"; correcting certain inconsistent and unnecessary provisions; amending Minnesota Statutes 1983 Supplement, sections 16.072, subdivisions 1 and 2; and 16.0721, subdivisions 1, 2, and 3.

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

Skoglund introduced:

H. F. No. 1388, A bill for an act relating to state government; providing for a dependent care assistance program for state employees; proposing new law coded in Minnesota Statutes, chapter 43A.

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

Ogren, Gustafson, Riveness, Sarna and Eken introduced:

H. F. No. 1389, A bill for an act relating to taxation; reducing the basic maintenance school mill rate; reducing the classification ratio for commercial-industrial property; providing reimbursement to local units of government; repealing the income tax surtax; amending Minnesota Statutes 1982, section 124.2131, subdivision 4; Minnesota Statutes 1983 Supplement,

sections 124.2122, subdivision 2; 273.13, subdivision 9; 290.06, subdivision 2e; proposing new law coded in Minnesota Statutes, chapter 273; repealing Laws 1983, chapter 342, article 1, section 8.

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

Bergstrom introduced:

H. F. No. 1390, A bill for an act relating to Independent School District No. 727, Big Lake; use of proceeds of sale of a school to buy or build classrooms; requiring local approval.

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

Sparby introduced:

H. F. No. 1391, A bill for an act relating to Independent School District No. 627, Oklee; authorizing a transfer of \$50,000 from the bus purchase account to the general fund; requiring local approval.

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

Clark, J., introduced:

H. F. No. 1392, A bill for an act relating to children; mandating employee assistance counselors to report child abuse; amending Minnesota Statutes 1982, section 626.556, subdivision 3.

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

Nelson, K.; McEachern; Anderson, B.; Jennings and Levi introduced:

H. F. No. 1393, A bill for an act relating to education; modifying certain erroneous and ambiguous education aid and levy provisions; amending Minnesota Statutes 1983 Supplement,

sections 121.904, subdivision 4a; 124.195, subdivision 9; 124.-201, subdivision 4; 124.2138, subdivision 1; 275.125, subdivisions 2e, 8, 8a, 9b; Laws 1983, chapter 314, article 6, section 34, subdivision 12, and article 9, section 14, subdivision 3.

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

Peterson; Nelson, K.; Anderson, B.; Levi and Kalis introduced:

H. F. No. 1394, A bill for an act relating to education; extending the deadline for certain state aid adjustments; amending Minnesota Statutes 1982, section 124.214, subdivision 1.

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

Cohen, Vellenga and Greenfield introduced:

H. F. No. 1395, A bill for an act relating to public safety; prohibiting assembly as a paramilitary organization for the purpose of practicing with weapons; prohibiting paramilitary training; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 624.

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

O'Connor, Norton, Sarna, Knickerbocker and Ogren introduced:

H. F. No. 1396, A bill for an act relating to state holidays; designating a Martin Luther King Jr. holiday; amending Minnesota Statutes 1982, section 645.44, subdivision 5.

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

Onnen introduced :

H. F. No. 1397, A bill for an act relating to game and fish; confidentiality of identity of game and fish law violation informants; amending Minnesota Statutes 1982, section 97.51.

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

Onnen introduced :

H. F. No. 1398, A bill for an act relating to game and fish; refunds of deer license fees under certain conditions; amending Minnesota Statutes 1982, section 98.46, by adding a subdivision.

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

Segal; Nelson, K.; Levi; Peterson and Jennings introduced :

H. F. No. 1399, A bill for an act relating to education; requiring welfare agencies to consult local school boards before placing handicapped pupils in education programs; amending Minnesota Statutes 1982, section 120.17, subdivision 6.

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

Vellenga, Quinn and Coleman introduced :

H. F. No. 1400, A bill for an act relating to highway traffic regulations; providing for criminal penalties upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a chemical test; authorizing chemical testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; amending Minnesota Statutes 1982, section 169.123, subdivisions 2, as amended; 5a; 6, as amended; and by adding a subdivision.

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

Clawson introduced :

H. F. No. 1401, A bill for an act relating to workers' compensation; providing coverage for ambulance drivers and attendants; amending Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kalis, DenOuden and Metzen introduced :

H. F. No. 1402, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

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

Vellenga and Bennett introduced :

H. F. No. 1403, A bill for an act relating to retirement; authorizing certain Ramsey county sheriff's department radio dispatchers to obtain additional service credit in the public employees police and fire fund.

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

Onnen introduced :

H. F. No. 1404, A bill for an act relating to drainage; providing for correction of certain errors in county or judicial ditch benefits; amending Minnesota Statutes 1982, section 106.465.

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

Blatz introduced :

H. F. No. 1405, A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

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



Pauly, Minne, Segal, Coleman and Hokr introduced :

H. F. No. 1406, A bill for an act relating to cities; permitting cities to reimburse officers or employees for certain legal expenses; proposing new law coded in Minnesota Statutes, chapter 465.

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

Voss, Sieben, Eken, Vanasek and Forsythe introduced :

H. F. No. 1407, A bill for an act relating to nonjudicial resolution of disputes; establishing community dispute resolution centers; creating a board of community dispute resolution to disburse funds to centers; providing for referral of civil, juvenile, and criminal matters to centers; appropriating money; proposing new law coded in Minnesota Statutes, chapters 13 and 494.

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

Solberg; Rodriguez, C.; Jensen; Levi and McEachern introduced :

H. F. No. 1408, A bill for an act relating to education; defining school bus; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; and 171.01, by adding a subdivision.

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

Solberg and Ogren introduced :

H. F. No. 1409, A bill for an act relating to game and fish; transportation of fish by nonresidents; amending Minnesota Statutes 1982, sections 97.45, subdivisions 3, 5, 6, and 9; and Minnesota Statutes 1983 Supplement, section 98.46, subdivision 5.

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

Solberg, Price, Beard, Begich and Hoffman introduced:

H. F. No. 1410, A bill for an act relating to labor; requiring political subdivisions to hire labor negotiators under the municipal contracting law; requiring negotiators' fees to be reported to PERB and to the legislature; amending Minnesota Statutes 1982, section 179.72, subdivision 3; and proposing new law coded in Minnesota Statutes, chapter 471.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Vellenga introduced:

H. F. No. 1411, A bill for an act relating to crimes; clarifying criminal penalties imposed on certain persons convicted of driving while intoxicated; amending Minnesota Statutes 1983 Supplement, section 169.121, subdivision 3.

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

Tunheim, Sarna, Sparby, Fjoslien and Munger introduced:

H. F. No. 1412, A bill for an act relating to game and fish; restricting the import of wild animals or game fish from certain provinces; amending Minnesota Statutes 1982, section 97.45, subdivision 8.

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

Graba, Quinn, Peterson and Battaglia introduced:

H. F. No. 1413, A bill for an act relating to game and fish; allowing transportation of deer or moose by residents other than the licensee; amending Minnesota Statutes 1982, section 97.45, subdivision 4.

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

Rodriguez, C.; Brandl; Levi; Long and Schreiber introduced:

H. F. No. 1414, A bill for an act relating to the legislature; establishing a legislative commission on metropolitan affairs and defining its powers and responsibilities; proposing new law coded in Minnesota Statutes, chapter 3.

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

Knuth, Munger, Long, and McDonald introduced:

H. F. No. 1415, A bill for an act relating to occupations and professions; defining the term "geologist" and related terms; amending Minnesota Statutes 1982, section 156A.071, subdivision 1, and by adding a subdivision.

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

O'Connor and Tunheim introduced:

H. F. No. 1416, A bill for an act relating to taxation; reinstating the previous definition of wetlands for purposes of the wetlands credit; amending Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1.

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

Bergstrom introduced:

H. F. No. 1417, A bill for an act relating to Independent School District No. 726, Becker; authorizing the transfer of \$140,000 from the general fund to the capital expenditure fund to eliminate a deficit.

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

Bergstrom introduced:

H. F. No. 1418, A bill for an act relating to the town of Blue Hill; allowing the town to exercise certain powers.

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

Forsythe, Jennings and Levi introduced:

H. F. No. 1419, A bill for an act relating to education; authorizing limited teaching licenses in mathematics and science; amending Minnesota Statutes 1982, sections 125.04; and 125.12, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 125.

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

Simoneau and Rice introduced:

H. F. No. 1420, A bill for an act relating to public employment; regulating grievances of disciplinary actions; amending Minnesota Statutes 1983 Supplement, section 179.70, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Simoneau and Rice introduced:

H. F. No. 1421, A bill for an act relating to labor; authorizing certain payroll deductions; amending Minnesota Statutes 1982, section 181.06, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Simoneau, Otis, Ogren, Wynia and Blatz introduced:

H. F. No. 1422, A bill for an act relating to corporations; regulating corporate take-overs; requiring certain disclosures; providing certain limitations on offerors; prescribing suspension

powers of the commissioner; providing a hearing; regulating control share acquisitions of Minnesota business corporations; defining terms; prescribing penalties; amending Minnesota Statutes 1982, sections 80B.01; 80B.03, subdivisions 1, 2, and 5, and by adding subdivisions; 80B.05; 80B.06; 80B.07; 80B.08; 80B.10; 302A.011, by adding subdivisions; 302A.449, by adding a subdivision; 302A.461, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 302A; repealing Minnesota Statutes 1982, sections 80B.02; 80B.03, subdivisions 3 and 4; and 80B.12, subdivisions 1 and 3.

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

Solberg, Tunheim and Battaglia introduced:

H. F. No. 1423, A bill for an act relating to motor vehicles; providing licensing and bonding requirements for horse trailer dealers; amending Minnesota Statutes 1982, section 168.27, subdivisions 22 and 24.

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

Segal introduced:

H. F. No. 1424, A bill for an act relating to education; providing additional funding for certain technology demonstration site proposals; appropriating money.

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

Krueger introduced:

H. F. No. 1425, A bill for an act relating to agriculture; providing for testing to measure milk protein; providing for payments for milk protein and nonfat solids; amending Minnesota Statutes 1982, section 32.25, subdivision 1.

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

Kalis; Anderson, B.; Sparby; Tunheim and Riveness introduced:

H. F. No. 1426, A bill for an act relating to education; limiting the revenue equity aid subtraction to fiscal year 1985; amending Minnesota Statutes 1983 Supplement, sections 124.2138 and 275.125, subdivisions 2e and 5b; repealing Minnesota Statutes 1983 Supplement, section 124.2138.

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

Simoneau and Coleman introduced:

H. F. No. 1427, A bill for an act relating to investments; legal investments for police and firefighter's relief associations; amending Minnesota Statutes 1982, section 69.775; and Minnesota Statutes 1983 Supplement, section 69.77, subdivision 2.

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

Bishop; Vanasek; Clark, J.; Piepho and Levi introduced:

H. F. No. 1428, A bill for an act relating to missing children; requiring the commissioner of public safety to establish a Minnesota missing child program; requiring law enforcement agencies receiving missing child reports to take certain actions; appropriating money; proposing new law coded in Minnesota Statutes, chapter 299C.

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

Krueger introduced:

H. F. No. 1429, A bill for an act relating to general assistance; changing eligibility standards of adult offspring; amending Minnesota Statutes 1982, section 256D.15; and Minnesota Statutes 1983 Supplement, section 256D.01, subdivision 1.

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

Dimler, by request, introduced :

H. F. No. 1430, A bill for an act relating to retirement; providing post-retirement annuity increases for certain retired public employees; proposing new law coded in Minnesota Statutes, chapter 356.

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

Schafer and Findlay introduced :

H. F. No. 1431, A bill for an act relating to data privacy; classifying the number of sealed bids received as nonpublic data; amending Minnesota Statutes 1982, section 13.37, subdivision 2.

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

Johnson introduced :

H. F. No. 1432, A bill for an act relating to game and fish; authorizing issuance of special deer permits to certain resident landowners or lessees; amending Minnesota Statutes 1982, section 98.48, by adding a subdivision.

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

Fjoslien and Kelly introduced :

H. F. No. 1433, A bill for an act relating to taxation; sales and use; providing that certain utility charges are not a sale; amending Minnesota Statutes 1983 Supplement, section 297A.01, subdivision 3.

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

Osthoff and Kelly introduced :

H. F. No. 1434, A bill for an act relating to the city of St. Paul; territorial restrictions on locations for the sale of alcoholic beverages; repealing Special Laws 1885, chapter 281, section 6.

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

Osthoff, Rice, Sarna and Vellenga introduced :

H. F. No. 1435, A bill for an act relating to labor; requiring state residents to be given hiring preference on public works projects; providing for enforcement; proposing new law coded in Minnesota Statutes, chapter 181.

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

Bergstrom, Solberg, Graba, Heap and Rodriguez, C., introduced :

H. F. No. 1436, A bill for an act relating to education; deleting the prohibition against rules requiring secondary vocational programs; clarifying some duties of the state boards of education, and vocational education; amending Minnesota Statutes 1982, section 124.573, subdivision 3.

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

Clark, K., introduced :

H. F. No. 1437, A bill for an act relating to landlords and tenants; providing for the privacy rights of residential tenants; creating remedies; providing a criminal penalty; proposing new law coded in Minnesota Statutes, chapter 504.

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



McEachern and Segal introduced :

H. F. No. 1438, A bill for an act relating to the state agricultural society; providing for free admission to the state fair; amending Minnesota Statutes 1982, section 37.15.

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

Schoenfeld introduced :

H. F. No. 1439, A bill for an act relating to energy; removing the prohibition against the sale or installation of certain new forced air type central furnaces for residences and manufactured homes; amending Minnesota Statutes 1982, section 116J.19, subdivision 14.

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

Rodriguez, C., and Sarna introduced :

H. F. No. 1440, A bill for an act relating to commerce; mechanics' liens; requiring contractors and subcontractors to provide owners with lien notices prior to beginning work; amending Minnesota Statutes 1982, section 514.011, subdivision 3; and Minnesota Statutes 1983 Supplement, section 514.011, subdivisions 1 and 2.

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

Sviggum introduced :

H. F. No. 1441, A bill for an act relating to the legislature; fixing the number of senators and representatives in 1993 and thereafter; amending Minnesota Statutes 1983 Supplement, section 2.021.

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

Findlay introduced:

H. F. No. 1442, A bill for an act relating to natural resources; construction of the Outdoor Recreation Act of 1975; amending Minnesota Statutes 1982, section 86A.02, subdivision 4.

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

Findlay introduced:

H. F. No. 1443, A bill for an act relating to taxation; repealing the aggregate tax for Stevens and Pope counties; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

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

Seaberg, Zaffke and Heap introduced:

H. F. No. 1444, A bill for an act relating to labor; prohibiting persons from being drunk near labor disputes; providing a penalty; proposing new law coded in Minnesota Statutes, chapter 179.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Seaberg, Kelly and Frerichs introduced:

H. F. No. 1445, A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

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

Seaberg and Begich introduced:

H. F. No. 1446, A bill for an act relating to commerce; consumer protection; requiring the repair, refund, or replacement of new motorcycles under certain circumstances; amending Minnesota Statutes 1983 Supplement, section 325F.665, subdivision 1.

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

Neuenschwander introduced:

H. F. No. 1447, A bill for an act relating to hazardous waste management; prohibiting the waste management board from evaluating the feasibility of bedrock disposal of hazardous waste; repealing Minnesota Statutes 1983 Supplement, section 115A.201.

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

Sviggum introduced:

H. F. No. 1448, A bill for an act relating to intoxicating liquor; authorizing the town of Cannon Falls to issue an off-sale license.

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

Sparby introduced:

H. F. No. 1449, A bill for an act relating to motor vehicles; authorizing operation of farm truck with class C drivers' license by employee operating truck during harvest; amending Minnesota Statutes 1982, section 171.02, subdivision 2.

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

Begich, Brinkman and Jacobs introduced:

H. F. No. 1450, A bill for an act relating to insurance; automobile; prohibiting surcharge assessments for certain traffic violations; amending Minnesota Statutes 1983 Supplement, section 65B.133, subdivision 5.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Neuenschwander introduced:

H. F. No. 1451, A bill for an act relating to natural resources; extension of state timber permits; amending Laws 1981, chapter 305, section 11, as amended; proposing new law coded in Minnesota Statutes, chapter 90.

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

Quinn introduced:

H. F. No. 1452, A bill for an act relating to commerce; protecting individuals' expectations of privacy regarding financial records; proposing new law coded in Minnesota Statutes, chapter 13A.

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

Onnen introduced:

H. F. No. 1453, A bill for an act relating to taxation; sales and use; providing for timely payment of sales and use taxes; amending Minnesota Statutes 1982, section 297A.27, subdivision 1, as amended.

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

Onnen introduced:

H. F. No. 1454, A bill for an act relating to taxation; providing for timely payment of certain withholding income taxes; amending Minnesota Statutes 1982, section 290.92, subdivision 6, as amended.

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

Olsen, Heap and Knickerbocker introduced:

H. F. No. 1455, A bill for an act relating to education; authorizing two more technology demonstration sites; appropriating money; amending Minnesota Statutes 1983 Supplement, section 129B.36, by adding a subdivision.

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

Anderson, R., introduced:

H. F. No. 1456, A bill for an act relating to Otter Tail county; authorizing the board of county commissioners to sell certain real property.

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

Sarna introduced:

H. F. No. 1457, A bill for an act relating to retirement; public employees police and fire fund; adding one trustee to the governing board; calculating annuities on a member's highest three successive years of service; amending Minnesota Statutes 1982, sections 353.03, subdivision 1; and 353.651, subdivision 2.

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

Sarna introduced :

H. F. No. 1458, A bill for an act relating to retirement; public employees police and fire fund; average salary computation; annuity formula increase; rule of 75; optional surviving spouse annuity; amending Minnesota Statutes 1982, sections 353.651, subdivisions 2 and 3, and by adding a subdivision; and 353.657, by adding a subdivision.

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

Schafer introduced :

H. F. No. 1459, A bill for an act relating to taxation; providing for the imposition of an aggregate material tax in Sibley County; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

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

Neuenschwander introduced :

H. F. No. 1460, A bill for an act relating to state lands; providing for the conveyance of certain land in International Falls.

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

Schafer introduced :

H. F. No. 1461, A bill for an act relating to agriculture; warehouses; imposing duties upon termination or change in management of grain warehouse operations; amending Minnesota Statutes 1982, section 232.23, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 233.

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

**Carlson, L., introduced:**

H. F. No. 1462, A bill for an act relating to elections; making the requirements for school election absentee ballots the same as those for the general election; amending Minnesota Statutes 1982, section 123.32, subdivision 24.

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

**Stadum and Eken introduced:**

H. F. No. 1463, A bill for an act relating to Independent School District No. 524, Halstad, and Independent School District No. 525, Hendrum; authorizing the establishment of certain procedures and election districts to govern the election of a school board to govern the school district created by the consolidation of those districts.

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

**McEachern introduced:**

H. F. No. 1464, A bill for an act relating to school districts; reducing the basic maintenance mill rate; amending Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2.

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

**Kelly and Clark, J., introduced:**

H. F. No. 1465, A bill for an act relating to crimes; requiring basic skills training for peace officers in community crime prevention techniques; proposing new law coded in Minnesota Statutes, chapter 626.

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

Clawson introduced:

H. F. No. 1466, A bill for an act relating to courts; providing procedures for collection of conciliation court judgments; requiring conciliation court clerks to explain procedures of conciliation court to litigants and to assist them in filling out forms; amending Minnesota Statutes 1982, sections 418A.13, subdivision 2; 418A.16, subdivision 8; 487.30, by adding subdivisions; 488A.30, subdivision 2; and 488A.33, subdivision 7.

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

Sarna introduced:

H. F. No. 1467, A bill for an act relating to retirement; public employees retirement association; average salary computation; annuity formula increase; rule of 85; optional surviving spouse annuity; amending Minnesota Statutes 1982, sections 353.29, subdivisions 2 and 3; 353.30, subdivision 3, and by adding a subdivision; and 353.31, by adding a subdivision.

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

Sarna introduced:

H. F. No. 1468, A bill for an act relating to retirement; public employees retirement association; increasing membership of the board of trustees; allowing the purchase of group life and health insurance for annuitants; reducing the years of service required for vesting and providing a graded vesting schedule; computing annuities on the highest three successive years of service; amending Minnesota Statutes 1982, sections 353.03, subdivision 1, and by adding a subdivision; and 353.29, subdivisions 1 and 2, and by adding a subdivision.

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

Sarna introduced:

H. F. No. 1469, A bill for an act relating to retirement; guaranteeing public pension plan benefits; proposing new law coded in Minnesota Statutes, chapter 356; repealing Minnesota Statutes 1982, sections 352.022; 353.38; and 354.07, subdivision 8.

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



Sarna introduced :

H. F. No. 1470, A bill for an act relating to retirement; public employees retirement association; reducing the minimum age for retirement with a reduced annuity; amending Minnesota Statutes 1982, section 353.30, subdivision 1c.

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

Sarna introduced :

H. F. No. 1471, A bill for an act relating to retirement; public employees retirement association; maximum family survivor benefits; amending Minnesota Statutes 1982, section 353.31, subdivision 1.

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

Osthoff introduced :

H. F. No. 1472, A bill for an act relating to taxation; excluding debts owed for medical treatment from the Revenue Recapture Act; amending Minnesota Statutes 1982, section 270A.03, subdivision 5.

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

Kelly; Vanasek; Clark, J.; Seaberg and Bishop introduced :

H. F. No. 1473, A bill for an act relating to crimes and criminals; specifying the crime of theft of telecommunications service; amending Minnesota Statutes 1982, section 609.52, subdivision 2.

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

Jacobs introduced:

H. F. No. 1474, A bill for an act relating to taxation; income; conforming to federal law for treatment of contributions to individual retirement plans and other pension plans; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

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

Jacobs introduced:

H. F. No. 1475, A bill for an act relating to taxation; income; conforming to federal treatment of picked up contributions to a government pension plan; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

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

Nelson, K., introduced:

H. F. No. 1476, A bill for an act relating to education; extending the deadline for rulemaking on curriculum offerings; amending Laws 1983, chapter 314, article 8, section 23.

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

Johnson introduced:

H. F. No. 1477, A bill for an act relating to transportation; real property; allowing the commissioner of transportation to vacate old trunk highways under certain conditions; amending Minnesota Statutes 1982, section 161.16.

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

Simoneau introduced:

H. F. No. 1478, A bill for an act relating to financial institutions; credit unions; adding investment losses to the category of contingencies against which credit unions are required to reserve; amending Minnesota Statutes 1982, section 52.17, subdivision 1.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Simoneau introduced:

H. F. No. 1479, A bill for an act relating to financial institutions; credit unions; allowing credit unions to designate the par value of shares; amending Minnesota Statutes 1983 Supplement, sections 52.01; and 52.04, subdivision 1.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Simoneau introduced:

H. F. No. 1480, A bill for an act relating to financial institutions; credit unions; authorizing the imposition of an annual membership fee; amending Minnesota Statutes 1982, section 52.12.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Simoneau introduced:

H. F. No. 1481, A bill for an act relating to financial institutions; credit unions; authorizing credit unions to offer various classes of shares, share certificates, deposits, or deposit certificates; authorizing the board of directors to establish different classes of shares and place certain restrictions on one class of shares; specifying certain components of the capital of a credit union; permitting the board to pay no dividend; permitting the exclusion of one share of a member

from the requirement for insurance; amending Minnesota Statutes 1982, sections 52.12; 52.18; and 52.24, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 52.04, subdivision 1; 52.05; and 52.09, subdivision 2.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Kalis and Heap introduced:

H. F. No. 1482, A bill for an act relating to crimes; providing that motor vehicles of persons convicted of a second violation of driving under the influence of alcohol or a controlled substance are subject to forfeiture; appropriating money; proposing new law coded in Minnesota Statutes, chapter 169.

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

Ludeman introduced:

H. F. No. 1483, A bill for an act relating to Independent School District No. 415, Lynd; authorizing the transfer of \$60,000 from the capital outlay fund to the general fund; requiring local approval.

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

Scheid introduced:

H. F. No. 1484, A bill for an act relating to taxation; property; modifying the exemption for property held by political subdivisions; amending Minnesota Statutes 1982, section 272.02, subdivision 5.

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

Anderson, G., introduced:

H. F. No. 1485, A bill for an act relating to towns; providing for the election and term of office for the town clerk and treasurer; amending Minnesota Statutes 1982, section 367.03, subdivision 1.

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

Clawson, Vanasek, McKasy, Vellenga and Johnson introduced:

H. F. No. 1486, A bill for an act relating to courts; providing for the appeal of various matters to the court of appeals; amending Minnesota Statutes 1983 Supplement, sections 299D.03, subdivision 11; 412.861, subdivision 3; 625.09; 625.11; 625.14; and 629.62.

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

O'Connor, Bishop, Welch, Otis and Solberg introduced:

H. F. No. 1487, A bill for an act relating to taxation; reducing the basic maintenance school mill rate; reducing the classification ratio for commercial-industrial property; providing reimbursement to local units of government; repealing the income tax surtax; amending Minnesota Statutes 1982, section 124.2131, subdivision 4; Minnesota Statutes 1983 Supplement, sections 124.2122, subdivision 2; 273.13, subdivision 9; 290.06, subdivision 2e; proposing new law coded in Minnesota Statutes, chapter 273; repealing Laws 1983, chapter 342, article 1, section 8.

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

Vanasek, Larsen, Schoenfeld, Kelly and Carlson, D., introduced:

H. F. No. 1488, A bill for an act relating to taxation; reducing the basic maintenance school mill rate; reducing the classification ratio for commercial-industrial property; providing reim-

bursement to local units of government; repealing the income tax surtax; amending Minnesota Statutes 1982, section 124.2131, subdivision 4; Minnesota Statutes 1983 Supplement, sections 124.2122, subdivision 2; 273.13, subdivision 9; 290.06, subdivision 2e; proposing new law coded in Minnesota Statutes, chapter 273; repealing Laws 1983, chapter 342, article 1, section 8.

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

Simoneau introduced:

H. F. No. 1489, A bill for an act relating to unemployment compensation; providing that parents can be in employment when employed by their children; amending Minnesota Statutes 1983 Supplement, section 268.04, subdivision 12.

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

McEachern and Osthoff introduced:

H. F. No. 1490, A bill for an act relating to motor vehicles; prohibiting registration of a motor vehicle reported as being a total loss; proposing new law coded in Minnesota Statutes, chapter 168.

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

Peterson, Quinn, Dimler, Vellenga and Neuenschwander introduced:

H. F. No. 1491, A bill for an act relating to highway traffic regulations; authorizing an increase in driver improvement clinic fees; amending Minnesota Statutes 1982, section 169.972, subdivision 2.

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

Coleman; Clark, J., and Osthoff introduced:

H. F. No. 1492, A bill for an act relating to traffic regulations; allowing a vehicle with a handicapped certificate to be parked on the left-hand side of a roadway; amending Minnesota Statutes 1982, section 169.345, subdivision 1.

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

Elioff introduced:

H. F. No. 1493, A bill for an act relating to transportation; requiring reflectors on railroad cars and cabooses; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 219.

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

Wenzel introduced:

H. F. No. 1494, A bill for an act relating to retirement; authorizing public employees to purchase allowable service credit for periods of military service; providing for reimbursement; appropriating money; proposing new law coded in Minnesota Statutes, chapter 356.

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

Wenzel introduced:

H. F. No. 1495, A bill for an act relating to crimes; imposing a mandatory one year minimum sentence on certain persons convicted of criminal vehicular operation resulting in death; amending Minnesota Statutes 1983 Supplement, sections 244.04, subdivision 1; and 609.21, subdivision 1.

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

Wenzel introduced:

H. F. No. 1496, A bill for an act relating to state lands; providing for the conveyance of certain state land to the city of Pillager.

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

Redalen introduced:

H. F. No. 1497, A bill for an act relating to taxation; including snow blowers in the definition of farm machinery for sales tax purposes; amending Minnesota Statutes 1982, section 297A.01, subdivision 15.

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

Olsen, Marsh, Findlay, Valento and Hokr introduced:

H. F. No. 1498, A bill for an act relating to taxation; income; providing a subtraction from gross income for social security and certain railroad retirement benefits; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20 and 20b.

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

Otis introduced:

H. F. No. 1499, A bill for an act relating to public utilities; permitting the public utilities commission to order reimbursement payments to intervenors in telephone rate proceedings; amending Minnesota Statutes 1982, section 237.075, by adding a subdivision.

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



Ogren introduced :

H. F. No. 1500, A bill for an act relating to waste management; requiring the waste management board to report to the legislature of the need for a hazardous waste disposal or processing facility; creating a moratorium on board actions in the site selection process; proposing new law coded in Minnesota Statutes, chapter 115A.

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

Jacobs and O'Connor introduced :

H. F. No. 1501, A bill for an act relating to regulated industries; changing conditions that regulate the telecast of games at metropolitan sports facilities; amending Minnesota Statutes 1982, section 473.568, subdivision 1.

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

Clark, K., introduced :

H. F. No. 1502, A bill for an act relating to children; providing special foster care and adoption procedures for Indian children; empowering tribal courts with jurisdiction of Indian child welfare; proposing new law coded in Minnesota Statutes, chapter 257.

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

Rodriguez, C., introduced :

H. F. No. 1503, A bill for an act relating to local government; providing for the duties and bonds of city clerks; amending Minnesota Statutes 1982, sections 412.151; and 418.25, subdivision 1.

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

Vanasek, Clawson, Schafer, Long and Levi introduced :

H. F. No. 1504, A bill for an act relating to courts; providing for court of appeal representation on the judicial board of standards and certain advisory committees; amending Minnesota Statutes 1982, sections 480.052; 480.059, subdivision 2; and Minnesota Statutes 1983 Supplement, section 490.15, subdivision 1.

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

Long introduced :

H. F. No. 1505, A bill for an act relating to the city of Minneapolis; allowing unemployment benefits to be calculated on a per day basis for seasonal employees in the department of public works.

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

O'Connor introduced :

H. F. No. 1506, A bill for an act relating to malt beverages; requiring malt beverages to be pasteurized with certain exceptions; amending Minnesota Statutes 1982, section 340.001, by adding a subdivision; 340.02, subdivisions 2 and 3; 340.07, by adding a subdivision; and 340.11, by adding a subdivision.

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

DenOuden introduced :

H. F. No. 1507, A bill for an act relating to taxation; deed tax; exempting certain partitions; amending Minnesota Statutes 1982, section 287.22.

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

Nelson, K., introduced:

H. F. No. 1508, A bill for an act relating to education; modifying school district accounting and cash management procedures; removing interest rate limitations on certain school district obligations; amending Minnesota Statutes 1982, sections 121.911, by adding subdivisions; 124.06; 124.42, subdivision 2; 124.43, subdivision 5; 124.75; 124.76; 475.52, subdivision 6, and by adding a subdivision; 475.54, subdivision 2; 475.55; 475.56; 475.58, subdivision 2; 475.62; and 475.67, subdivision 3; Minnesota Statutes 1983 Supplement, section 475.65; repealing Minnesota Statutes 1982, sections 121.911, subdivision 3; 124.43, subdivision 6; and Minnesota Statutes 1983 Supplement, section 121.912, subdivision 3.

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

Kalis introduced:

H. F. No. 1509, A bill for an act relating to motor vehicles; prohibiting fees for the return of number plates; amending Minnesota Statutes 1982, section 168.15.

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

Anderson, G., and Kalis introduced:

H. F. No. 1510, A bill for an act relating to transportation; accelerating the phased transfer of the motor vehicle excise tax from the general fund to the highway user tax distribution fund and transit assistance fund; amending Minnesota Statutes 1983 Supplement, section 297B.09.

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

Simoneau and Coleman introduced:

H. F. No. 1511, A bill for an act relating to taxation; providing a property tax exemption for certain new or expanded facilities; providing a sales tax exemption for materials used in constructing certain new facilities; providing a reduced

rate of tax on sales of capital equipment; amending Minnesota Statutes 1982, section 297A.01, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1; 297A.02, by adding a subdivision; and 297A.14; proposing new law coded in Minnesota Statutes, chapter 297A.

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

Krueger and Graba introduced:

H. F. No. 1512, A bill for an act relating to waters; appeals from classification of public waters and wetlands; amending Minnesota Statutes 1982, section 105.391, subdivision 1.

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

Krueger and Graba introduced:

H. F. No. 1513, A bill for an act relating to taxation; sales; including replacement parts in the definition of farm machinery; amending Minnesota Statutes 1982, section 297A.01, subdivision 15.

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

Staten and Segal introduced:

H. F. No. 1514, A bill for an act relating to human rights; lengthening the time for filing a charge after the occurrence of an unfair discriminatory practice; providing for an award of prejudgment interest and attorney fees in certain cases; increasing the amount of punitive damages that may be awarded; changing the standard under which punitive damages are awarded; allowing liability for loss of back pay to accrue for six years; providing for jury trials on request of either party in actions before the district court; amending Minnesota Statutes 1982, sections 363.06, subdivision 3; and 363.14, subdivision 2; Minnesota Statutes 1983 Supplement, section 363.071, subdivision 2.

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

Osthoff introduced:

H. F. No. 1515, A bill for an act relating to taxation; defining "political party" for purposes of the political contribution credit; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 11.

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

Otis, Scheid and Osthoff introduced:

H. F. No. 1516, A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.091, subdivisions 2 and 3; and 429.101, subdivision 1.

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

Otis introduced:

H. F. No. 1517, A bill for an act relating to the city of Minneapolis; authorizing the issuance of bonds and the levy of special assessments or service charges for fire protection systems; amending Laws 1969, chapter 499, section 2, and by adding a section.

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

Clark, K., introduced:

H. F. No. 1518, A bill for an act relating to state departments and agencies; establishing additional complaint procedures for health-related licensing boards; amending Minnesota Statutes 1982, section 214.10, by adding a subdivision.

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

Vellenga introduced:

H. F. No. 1519, A bill for an act relating to health; requiring uniform school cafeteria licensing fees within licensing jurisdictions; proposing new law coded in Minnesota Statutes, chapter 157.

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

Krueger introduced:

H. F. No. 1520, A bill for an act relating to liquor; authorizing certain political subdivisions to restrict hours of sale on statewide election days; amending Minnesota Statutes 1982, section 340.034, subdivision 2; and Minnesota Statutes 1983 Supplement, section 340.14, subdivision 1.

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

Findlay introduced:

H. F. No. 1521, A bill for an act proposing amendments to the Minnesota Constitution relating to the legislature; amending article IV to provide for a limit on terms served by senators and representatives; amending article IV to provide for the recall of senators and representatives; and amending article IV to provide for initiative and referendum.

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

Peterson, Munger, Voss, Dimler and Wenzel introduced:

H. F. No. 1522, A bill for an act relating to Mille Lacs county; permitting the sale of certain tax-forfeited land.

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

Wenzel introduced:

H. F. No. 1523, A bill for an act relating to peace officers; increasing the compensation for dependents of peace officers killed in the line of duty; amending Minnesota Statutes 1982, section 352E.04.

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

Ogren; Clark, J.; Kelly; Coleman and Bishop introduced:

H. F. No. 1524, A bill for an act relating to claims against the state; providing for claims arising out of the injury or death of an inmate conditionally released; amending Minnesota Statutes 1982, section 3.739, subdivision 1.

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

Osthoff, Kelly, Heap and Segal introduced:

H. F. No. 1525, A bill for an act relating to the legislature; reducing its size; amending Minnesota Statutes 1983 Supplement, sections 2.021 and 2.031, subdivision 1.

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

Johnson introduced:

H. F. No. 1526, A bill for an act relating to natural resources; limiting the amount payable upon acquisition of lands by the commissioner of natural resources; amending Minnesota Statutes 1982, section 84.0272.

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

Clark, K., introduced:

H. F. No. 1527, A bill for an act relating to labor; providing for occupational safety and health; regulating infectious agents; amending Minnesota Statutes 1983 Supplement, section 182.653, subdivision 4f.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Tomlinson introduced:

H. F. No. 1528, A bill for an act relating to taxation; updating references to the internal revenue code; simplifying certain income tax and property tax refund provisions; making technical corrections and administrative changes to income tax and property tax refund provisions; amending Minnesota Statutes 1982, sections 10A.31, subdivision 1; 62E.11, subdivision 3; 271.19; 290.01, subdivision 20e; 290.05, subdivision 4; 290.06, subdivisions 3e, 3f, and 3g; 290.095, subdivision 11; 290.17, subdivision 1a; 290.19, subdivision 1a; 290.23, subdivision 3; 290.311, subdivision 1; 290.41, subdivision 2, and by adding a subdivision; 290.56, subdivisions 4 and 5; 290.61; 290.931, subdivision 1; 290A.03, subdivision 7; and 290A.07, subdivision 2a; Minnesota Statutes 1983 Supplement, sections 290.01, subdivisions 20, 20a, 20b, and 20f; 290.032, subdivision 2; 290.06, subdivisions 2c, 3d, 11, 13, and 14; 290.067, subdivisions 1 and 2; 290.077, subdivision 4; 290.089, subdivisions 2 and 3; 290.09, subdivisions 5 and 29; 290.091; 290.10 290.17, subdivisions 1 and 2; 290.174; 290.175; 290.18, subdivision 1; 290.21, subdivision 3; 290.37, subdivision 1; 290.431; 290.45, subdivision 1; 290.46; 290.92, subdivision 26; 290.93, subdivision 10; 290.9726, subdivision 5; 290A.03, subdivisions 3, 6, 11, 12, and 14; 290A.04, subdivisions 1 and 2; 290A.07, subdivision 3; and 296.18, subdivision 1; repealing Minnesota Statutes 1982, sections 290.011; 290.012, subdivisions 1, 3, and 4; 290.101; 290.311, subdivision 2; Minnesota Statutes 1983 Supplement, sections 290.012, subdivision 2; and 290A.16; and Laws 1983, chapter 207, section 6.

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

Kahn, Wynia, Eken, Forsythe and Sieben introduced:

H. F. No. 1529, A resolution memorializing the United States Congress to again propose an amendment to the United States Constitution providing for equal rights for women.

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



Simoneau and Coleman introduced :

H. F. No. 1530, A bill for an act relating to athletics; changing the name of the board of boxing; regulating professional wrestling exhibitions; imposing a gross receipts tax on professional wrestling exhibitions; providing funding for high school extra-curricular activities; clarifying certain terms; appropriating money; amending Minnesota Statutes 1982, sections 341.01; 341.02; 341.04; 341.05; 341.06; 341.07; 341.08; 341.09; 341.10; 341.11; 341.12; 341.13; 341.15; Minnesota Statutes 1983 Supplement, section 341.115.

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

Osthoff introduced :

H. F. No. 1531, A bill for an act relating to taxation; income; modifying the definition of gross income; adopting the federal rules governing certain employee public pension contributions; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

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

Krueger introduced :

H. F. No. 1532, A bill for an act relating to agriculture; designating milk as the official state drink; proposing new law coded in Minnesota Statutes, chapter 1.

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

Skoglund introduced :

H. F. No. 1533, A bill for an act relating to health; authorizing the board of dentistry to adopt rules relating to special training and education of dentists; amending Minnesota Statutes 1982, section 150A.04, subdivision 5.

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

Beard introduced:

H. F. No. 1534, A bill for an act relating to the city of Cottage Grove; providing for approval of the construction of a residence.

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

Clawson, Staten, Jennings, Voss and Levi introduced:

H. F. No. 1535, A bill for an act relating to courts; abolishing the county and probate court; transferring the jurisdiction, cases, records, and employees of that court to the district court; merging the municipal and conciliation courts with the district court in the second and fourth judicial districts; transferring the jurisdiction, cases, records, and employees of those courts to the district court; providing that municipal, probate, and county judges learned in the law are district judges; providing that the county court judge not learned in the law is an associate judge; limiting the creation of additional referee, law clerk, courtroom bailiff, and courtroom deputy clerk positions; providing transitional retirement benefits; amending Minnesota Statutes 1982, sections 2.722, subdivision 1; 484.01; 484.545, subdivision 1; 484.64, subdivision 3; 484.65, subdivision 7; and 484.69, subdivisions 1 and 3; Minnesota Statutes 1983 Supplement, sections 260.031, subdivision 1; and 484.70, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 487; 488A; and 490; repealing Minnesota Statutes 1982, section 487.191.

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

Minne, Kelly, Ellingson, Jacobs and Vellenga introduced:

H. F. No. 1536, A bill for an act relating to data privacy; prohibiting the dissemination of data regarding a person's age or birthdate for use in mailing lists; amending Minnesota Statutes 1982, section 13.05, by adding a subdivision.

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

O'Connor; Begich; St. Onge; Rodriguez, F., and Seaberg introduced:

H. F. No. 1537, A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

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

Sarna introduced:

H. F. No. 1538, A bill for an act relating to natural resources; expanding the trout stamp program to include trout lakes and Lake Superior; reducing the age requirement for obtaining a trout stamp; amending Minnesota Statutes 1982, section 97.4842.

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

Sarna introduced:

H. F. No. 1539, A bill for an act relating to retirement; teacher's contributions to the variable annuity account; transferring funds from past contributions; amending Minnesota Statutes 1982, section 354.62, subdivision 2.

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

Sarna and O'Connor introduced:

H. F. No. 1540, A bill for an act relating to taxation; income; conforming to federal treatment of picked up contributions to a government pension plan; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

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

Sarna introduced:

H. F. No. 1541, A bill for an act relating to game and fish; restrictions on power of commissioner to regulate spearing of fish; amending Minnesota Statutes 1982, section 97.48, subdivision 1.

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

Sarna introduced:

H. F. No. 1542, A bill for an act relating to retirement; computation of benefit limitations for public pension plans; amending Minnesota Statutes 1982, section 356.61, as amended.

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

Uphus introduced:

H. F. No. 1543, A bill for an act relating to taxation; repealing the aggregate tax for Stearns, Stevens, and Pope counties; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

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

Frerichs, Pauly, Waltman, Johnson and Gruenes introduced:

H. F. No. 1544, A bill for an act relating to taxation; providing for early termination of the income tax surtax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

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

Skoglund introduced:

H. F. No. 1545, A bill for an act relating to traffic regulations; requiring school buses purchased after January 1, 1985, to have a seat belt for each permanent seat; amending Minnesota Statutes 1982, sections 169.44, subdivision 9; and 169.685, subdivision 1.

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

Sarna; Rodriguez, F., and Sviggum introduced:

H. F. No. 1546, A bill for an act relating to retirement; providing for an increase in the amount of employer contributions to the teachers retirement association and to the teachers retirement fund associations in cities of the first class; amending Minnesota Statutes 1982, sections 354.42, subdivision 5; and 354A.12, subdivision 2.

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

Kahn introduced:

H. F. No. 1547, A bill for an act relating to resident aliens; clarifying the rights and responsibilities of resident aliens with respect to the distribution of economic benefits, militia enlistment, and veterans affairs; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; 60A.19, subdivision 7; 64A.10, subdivision 1; 85.018, subdivision 6; 98.45, subdivision 4; 98.47, subdivisions 8 and 15; 137.10; 147.25; 181.59; 184.26, subdivision 3; 190.06, subdivision 3; 197.03; 197.05; 197.447; 197.63, subdivision 1; 198.01; 256E.08, subdivision 10; 340.02, subdivision 8; 340.13, subdivision 12; 340.403, subdivision 3; 359.01; 360.015, subdivision 9; 395.14; 462.525, subdivision 10; 617.34; and 617.35; and Minnesota Statutes 1983 Supplement, section 51A.03, subdivision 1.

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

Rodriguez, F.; Sarna and Metzen introduced:

H. F. No. 1548, A bill for an act relating to retirement; including communication personnel in the state patrol retirement fund; amending Minnesota Statutes 1982, section 352B.01, subdivision 2.

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

Rodriguez, F., and Sarna introduced:

H. F. No. 1549, A bill for an act relating to retirement; authorizing state aid for the University of Minnesota police department; clarifying the law governing expenditure of St. Cloud police retirement funds; authorizing postretirement adjustments for Crookston police; amending Minnesota Statutes 1983 Supplement, section 69.011, subdivision 1; Laws 1973, chapter 432, section 4; and Laws 1977, chapter 275, section 1, by adding a subdivision.

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

Rodriguez, F.; Sarna; Simoneau and Metzen introduced:

H. F. No. 1550, A bill for an act relating to retirement; public employees retirement association; vesting period for certain public hospital employees; amending Minnesota Statutes 1982, section 353.34, by adding a subdivision.

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

Hokr, Shaver, Scheid, Heap and Carlson, L., introduced:

H. F. No. 1551, A bill for an act relating to communications; permitting a municipality to be represented by its designee on a joint cable communication commission; amending Minnesota Statutes 1982, section 238.08, subdivision 5.

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

Frerichs, Johnson, Erickson, Voss and Neuenschwander introduced:

H. F. No. 1552, A bill for an act relating to transportation; accelerating phased transfer of motor vehicle excise tax from general fund to highway user tax distribution fund and transit assistance fund; amending Minnesota Statutes 1983 Supplement, section 297B.09.

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

Levi; Nelson, D.; Schreiber and Voss introduced:

H. F. No. 1553, A bill for an act relating to metropolitan government; prescribing the authority of watershed management organizations; providing procedures for boundary changes and termination of watershed districts; amending Minnesota Statutes 1982, sections 473.877 and 473.878, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 473.

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

Brandl, Forsythe and Quist introduced:

H. F. No. 1554, A bill for an act relating to marriage dissolution; providing for determination and modification of child support; changing laws relating to docketing of judgments for support and maintenance; providing for withholding of support and maintenance from retirement and annuity benefits; providing for the vacating of liens of certain judgments; amending Minnesota Statutes 1982, sections 257.66, by adding a subdivision; 353.15; 354.10; 518.55; 548.13; and 548.17; and Minnesota Statutes 1983 Supplement, sections 256.87, by adding a subdivision; 352.15, subdivision 1; 352B.071; 354A.11; 518.17, subdivision 5; 518.551, subdivisions 5 and 9; 518.611, subdivision 3; 518C.17, subdivision 1; and 548.09, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 548.

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

McEachern; Welle; Anderson, B.; Levi and Bergstrom introduced:

H. F. No. 1555, A bill for an act proposing an amendment to the Minnesota Constitution, article XIII, section 5; authorizing lotteries and the sale of lottery tickets under certain circumstances.

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

Olsen, Forsythe, Coleman and Cohen introduced:

H. F. No. 1556, A bill for an act relating to criminal justice; permitting misdemeanor arrests to be made at night in public places; amending Minnesota Statutes 1983 Supplement, section 629.31.

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

McEachern introduced:

H. F. No. 1557, A bill for an act relating to employment; providing job security for volunteer firefighters; proposing new law coded in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Brinkman, Osthoff and Sarna introduced:

H. F. No. 1558, A bill for an act relating to taxation; providing for early termination of the surtax on individual income tax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

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



McEachern; Carlson, L.; Carlson, D.; Nelson, K., and Munger introduced:

H. F. No. 1559, A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 10; allowing public lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, section 94.343, subdivision 1.

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

Sarna, Ogren, O'Connor and Brinkman introduced:

H. F. No. 1560, A bill for an act relating to highway safety; increasing the tax on certain wines; appropriating money for programs to combat drunken driving; reducing an appropriation; amending Minnesota Statutes 1982, section 340.47, subdivisions 1 and 1a; proposing new law coded in Minnesota Statutes, chapter 340.

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

Swanson, Wynia, Welch, Greenfield and Reif introduced:

H. F. No. 1561, A bill for an act relating to health; health maintenance organizations; providing continued coverage upon replacement of an insurance carrier; including health maintenance organization contracts in certain statutorily mandated coverages; providing for the disclosure and reporting by the organization of detailed financial, administrative and ownership information; providing for reporting of changes in provider agreements; granting the commissioner authority to adopt rules regarding the content of provider and other agreements; requiring certain deposits against insolvency; authorizing organizations to enter into certain health services contracts; requiring certain consumer rights information in evidences of coverage and annual information statements; providing for reimbursement of, and direct payments to, enrollees; providing for examination by the commissioner of health; specifying the examination powers of the commissioner; granting the commissioner authority to adopt rules regarding unreasonable expenses; classifying certain data used for review purposes; prescribing penalties; amending Minnesota Statutes 1982, sections 60A.082; 62A.041; 62A.042; 62A.044; 62A.081; 62A.14; 62A.147; 62A.149; 62D.02, subdivisions 5, 6, and 8, and by adding subdivisions; 62D.04; 62D.05, subdivision 3; 62D.07, subdivisions 1 and 3; 62D.08, subdivisions 1, 3, and by adding subdi-

visions; 62D.09; 62D.10, subdivision 3, and by adding a subdivision; 62D.101, subdivisions 2 and 2a; 62D.12, subdivisions 2, 4, 9, 10, 11, and by adding a subdivision; 62D.14; 62D.15, subdivision 1; 62D.17, subdivisions 1 and 4; 62D.19; 62D.20; 62D.22, subdivision 5, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, sections 62A.152; 62A.17, subdivisions 1 and 6; 62D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1982, sections 62D.10, subdivision 2; 62D.12, subdivision 7; 62D.22, subdivision 9; 62D.27; and 62E.17.

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

Blatz and Vanasek introduced:

H. F. No. 1562, A bill for an act relating to labor; regulating the payment of wages when employment is terminated; amending Minnesota Statutes 1982, sections 181.13; and 181.14.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Minne, Tomlinson and Begich introduced:

H. F. No. 1563, A bill for an act relating to taxation; extending homestead treatment to certain dwelling units; amending Minnesota Statutes 1982, section 273.13, subdivision 19.

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

Minne introduced:

H. F. No. 1564, A bill for an act relating to unemployment compensation; eliminating a condition for return of benefits under certain circumstances; amending Minnesota Statutes 1982, section 268.18, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 268.10, subdivision 2; and 268.18, subdivision 1.

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

Elioff introduced:

H. F. No. 1565, A bill for an act relating to unemployment compensation; providing for the disqualification for benefits under certain circumstances; amending Minnesota Statutes 1982, section 268.09, subdivision 3.

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

Bergstrom, Peterson, Price, Krueger and Graba introduced:

H. F. No. 1566, A bill for an act relating to taxation; reducing the basic maintenance school mill rate; reducing the classification ratio for commercial-industrial property; providing reimbursement to local units of government; repealing the income tax surtax; amending Minnesota Statutes 1982, section 124.2131, subdivision 4; Minnesota Statutes 1983 Supplement, sections 124.2122, subdivision 2; 273.13, subdivision 9; 290.06, subdivision 2e; proposing new law coded in Minnesota Statutes, chapter 273; repealing Laws 1983, chapter 342, article 1, section 8.

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

St. Onge, Jacobs, Sparby, Cohen and Neuenschwander introduced:

H. F. No. 1567, A bill for an act relating to taxation; reducing the basic maintenance school mill rate; reducing the classification ratio for commercial-industrial property; providing reimbursement to local units of government; repealing the income tax surtax; amending Minnesota Statutes 1982, section 124.2131, subdivision 4; Minnesota Statutes 1983 Supplement, sections 124.2122, subdivision 2; 273.13, subdivision 9; 290.06, subdivision 2e; proposing new law coded in Minnesota Statutes, chapter 273; repealing Laws 1983, chapter 342, article 1, section 8.

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

Kelly, Levi, Seaberg, Cohen and Staten introduced:

H. F. No. 1568, A bill for an act relating to juveniles; providing for enhanced penalties for juveniles adjudicated for driving while under the influence of alcohol or a controlled substance; providing that the juvenile court has original jurisdiction of a child who commits both a traffic and nontraffic offense; amending Minnesota Statutes 1982, section 260.193, subdivisions 1, 2, 3, 4, 5, 7, and 8; and Minnesota Statutes 1983 Supplement, sections 169.121, subdivision 3; and 260.193, subdivision 6.

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

Beard and Price introduced:

H. F. No. 1569, A bill for an act relating to alcoholic beverages; requiring driver's license revocation of any minor driving a motor vehicle while having any measurable concentration of alcohol; increasing the age for licensing, sale, purchase, consumption, possession, and furnishing of alcoholic beverages; amending Minnesota Statutes 1982, sections 169.123, subdivisions 4 and 5a; and subdivision 6, as amended; 340.02, subdivision 8; 340.035, subdivision 1; 340.039; 340.119, subdivision 2; 340.13, subdivision 12; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

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

Fjoslien and Uphus introduced:

H. F. No. 1570, A bill for an act relating to taxation; aggregate material; removing counties from the requirement to impose the tax; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

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

Clark, K., and Rice introduced:

H. F. No. 1571, A bill for an act relating to the organization and operation of state government; creating an office of economic conversion; prescribing its duties; requiring certain defense-related businesses and labor organizations to provide certain information; appropriating money; proposing new law coded in Minnesota Statutes, chapter 116J.

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

Solberg and Neuenschwander introduced:

H. F. No. 1572, A bill for an act relating to taxation; income; modifying the definition of small business assistance office; amending Minnesota Statutes 1983 Supplement, section 290.069, subdivision 1.

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

Quist, Erickson, Sviggum, Thiede and Findlay introduced:

H. F. No. 1573, A bill for an act relating to education; modifying levy provisions for certain school districts; requiring reductions of certain levies for certain school districts; appropriating money; amending Minnesota Statutes 1983 Supplement, section 275.125, subdivisions 2e and 5b; repealing Minnesota Statutes 1983 Supplement, section 124.2138; and Laws 1983, chapter 314, article 13, section 3.

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

Kelly introduced:

H. F. No. 1574, A bill for an act relating to retirement; authorizing purchase of service credit in the public employees retirement association by a certain employee of the St. Paul bureau of health.

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

Swanson, Riveness, Rodosovich, Sviggum and Rodriguez, F., introduced:

H. F. No. 1575, A bill for an act relating to retirement; fire-fighter's relief association; reducing from three years to one year the period of marriage required to qualify a surviving spouse for survivor benefits; amending Minnesota Statutes 1982, section 424.24, subdivision 2; and Laws 1947, chapter 43, section 23, as amended; Laws 1963, chapter 643, section 20; and Laws 1973, chapter 359, section 5, subdivision 2.

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

Tunheim, Battaglia, Neuenschwander, Fjoslien and Sparby introduced:

H. F. No. 1576, A bill for an act relating to natural resources; accelerating authority to end certain commercial fishing in Lake of the Woods and Rainy Lake; amending Minnesota Statutes 1983 Supplement, section 102.26, subdivision 3d.

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

Long; Munger; Evans; Nelson, D., and Carlson, D., introduced:

H. F. No. 1577, A bill for an act relating to solid and hazardous waste management; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical and research assistance to generators, and studies of hazardous waste reduction and processing and collection facilities; requiring requests for proposals for hazardous waste processing facilities; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; amending various provisions relating to county and metropolitan solid waste management; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivision 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.11; 115A.18; 115A.24; 115A.46, subdivision 1; 115A.70, by adding a subdivision; 400.162; 473.181, subdivision 4; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivi-

sions 5 and 5a; 115A.21, subdivision 1; 115A.22, subdivisions 1 and 4; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; and 473.823, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 115A and 116E; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

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

Solberg, Wenzel, Schoenfeld, Sherman and Graba introduced:

H. F. No. 1578, A bill for an act relating to public welfare; extending the community work experience program; amending Minnesota Statutes 1983 Supplement, section 256.737.

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

Battaglia introduced:

H. F. No. 1579, A bill for an act relating to public safety; providing immunity from liability for persons who render assistance in dangerous incidents involving compressed gases; proposing new law coded in Minnesota Statutes, chapter 299F.

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

Tomlinson introduced:

H. F. No. 1580, A bill for an act relating to government finance in this state; increasing the budget reserve account; requiring tax clearance prior to issuance of certain licenses; increasing funding for enterprise zones and allocating certain tax reductions to Duluth; providing an income tax subtraction for foreign earned income; abolishing the surtax; providing export income tax credit; changing the maximum taconite property tax credits and providing for proportionate reductions in certain instances; repealing the unitary method of apportioning the income of multistate businesses for income tax purposes; providing income

tax deduction for foreign dividends; providing that certain reimbursements made by taxing districts to railroads are a special levy; abolishing the income tax additional research credit; limiting certain appropriations from the northeast Minnesota economic protection trust fund; setting the 1985 maximum aid distribution for municipalities; establishing a tax amnesty program; appropriating money; amending Minnesota Statutes 1982, sections 273.135, subdivision 2, and by adding a subdivision; 273.1391, subdivision 2, and by adding a subdivision; 275.48; 290.095, subdivision 3; 290.61; 297A.43; 298.225; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 273.1314, subdivision 8; 290.01, subdivision 20b; 290.06, subdivision 2e; 290.07, subdivision 1; 290.17, subdivision 2; 290.21, subdivision 4; 290.34, subdivision 2; 298.293; 298.296, subdivision 2; and 477A.011, subdivision 10; Laws 1983, chapter 342, article 1, section 8; proposing new law coded in Minnesota Statutes, chapters 270 and 290; repealing Minnesota Statutes 1982, section 290.06, subdivision 15; Minnesota Statutes 1983 Supplement, section 290.068, subdivision 6; and Laws 1982, chapter 523, article XXIX, section 6.

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

Bennett introduced:

H. F. No. 1581, A bill for an act relating to state government; eliminating certain investigative and intervention powers of the director of the department of public service; repealing Minnesota Statutes 1982, section 216A.07, subdivision 4; and Minnesota Statutes 1983 Supplement, section 216A.07, subdivision 3.

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

Piepho introduced:

H. F. No. 1582, A bill for an act relating to licensed motor vehicle special fuels; providing an alternative method of taxation for users of liquified petroleum gas; providing for rules; amending Minnesota Statutes 1982, sections 296.01, by adding a subdivision; 296.025, subdivisions 1 and 6; 296.12, subdivisions 3, 4, 8, and 9; and 296.25, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 296.

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



Piepho introduced :

H. F. No. 1583, A bill for an act relating to transportation; designating a bridge as the "Veterans Memorial Bridge"; amending Minnesota Statutes 1982, section 161.14, by adding a subdivision.

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

Thiede introduced :

H. F. No. 1584, A bill for an act relating to commerce; removing the statutory provisions regulating the use of assumed names; repealing Minnesota Statutes 1982, sections 333.001 to 333.04; and Minnesota Statutes 1983 Supplement, section 333.055.

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

Thiede introduced :

H. F. No. 1585, A bill for an act relating to commerce; modifying the definition of "true name" for purposes of the statutory provisions regulating the use of assumed names; amending Minnesota Statutes 1982, section 333.001, subdivision 3.

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

Sviggum, Heap, Hokr and Kalis introduced :

H. F. No. 1586, A bill for an act relating to highway traffic regulations; providing for criminal penalties upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a chemical test; providing for revocation of a driver's license for a year upon refusal to submit to chemical testing; amending Minnesota Statutes 1982, section 169.123, subdivisions 4 and 5a; Minnesota Statutes 1983 Supplement, section 169.123, subdivisions 2 and 6.

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

Simoneau; Norton; Clark, J.; Rice and Sviggum introduced:

H. F. No. 1587, A bill for an act relating to state government; ratifying state labor agreements and compensation plans.

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

Greenfield, Wynia and Swanson introduced:

H. F. No. 1588, A bill for an act relating to public welfare; clarifying eligibility requirements for the state general assistance program; amending Minnesota Statutes 1982, section 256D.15; Minnesota Statutes 1983 Supplement, sections 256D.01, subdivision 1; and 256D.111, subdivisions 1, 2, and 5.

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

The following House Files were introduced:

Tomlinson, Ogren, Swanson, Quinn and St. Onge introduced:

H. F. No. 1589, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Riveness, Kostohryz, Clawson, Wynia and Scheid introduced:

H. F. No. 1590, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Krueger, Wenzel, Jensen, Larsen and O'Connor introduced:

H. F. No. 1591, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

The bill was read for the first time.

Pursuant to Article IV, Section 19 of the Constitution of the State of Minnesota, Jennings moved that the rule therein be suspended and an urgency be declared so that House File No. 1591 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

Eken moved that the Jennings motion be laid on the table. The motion prevailed.

H. F. No. 1591 was referred to the Committee on Taxes.

#### INTRODUCTION AND FIRST READING OF HOUSE BILLS, Continued

Tunheim, Jacobs, Welle and Kalis introduced:

H. F. No. 1592, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Graba, Otis and Coleman introduced:

H. F. No. 1593, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Cohen, Osthoff, Minne and Sparby introduced :

H. F. No. 1594, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Mann; Anderson, B.; McEachern and Metzen introduced :

H. F. No. 1595, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Nelson, D.; Skoglund; Ellingson and Begich introduced :

H. F. No. 1596, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Knuth; Segal; Rodriguez, C., and Solberg introduced :

H. F. No. 1597, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Price, Brandl, Hoffman and Kelly introduced :

H. F. No. 1598, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Shea, Simoneau, Bergstrom and Carlson, L., introduced :

H. F. No. 1599, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Vanasek, Vellenga, Eken and Nelson, K., introduced :

H. F. No. 1600, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Anderson, B.; Brinkman and Shea introduced :

H. F. No. 1601, A bill for an act relating to commerce; providing a lien for agricultural production inputs; establishing priority and foreclosure requirements; amending Minnesota Statutes 1983 Supplement, section 336.9-312; proposing new law coded in Minnesota Statutes, chapter 514.

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

Clark, K., and Staten introduced:

H. F. No. 1602, A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing a sanction for intentional delays; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivisions 1 and 3; 363.071, by adding a subdivision; 363.117; 363.14, subdivision 1; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; and 363.071, subdivision 2; proposing new law coded in chapter 363.

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

Waltman, Sieben, Hoffman and Dimler introduced:

H. F. No. 1603, A bill for an act relating to agriculture; establishing a grape research and promotion program funded by a portion of the wine excise tax; appropriating money; amending Minnesota Statutes 1983 Supplement, section 340.485, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 340.

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

Hoffman and Schreiber introduced:

H. F. No. 1604, A bill for an act relating to agriculture; clarifying certain terms and limiting certain assessments in the metropolitan agricultural preserves act; amending Minnesota Statutes 1982, sections 473H.02, subdivision 3; and 473H.11.

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

Greenfield; Clark, J.; Zaffke; Seaberg and Wynia introduced:

H. F. No. 1605, A bill for an act relating to state departments and agencies; creating an independent office of ombudsman for vocational rehabilitation; proposing new law coded in Minnesota Statutes, chapter 129A.

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

Shea and Welle introduced:

H. F. No. 1606, A bill for an act relating to elections; prohibiting certain inquiries of voters at or near the polls; amending Minnesota Statutes 1982, section 204C.06, subdivision 1.

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

Metzen, Rose, Mann and Sieben introduced:

H. F. No. 1607, A bill for an act relating to motor vehicles; increasing and expanding license plate fees; establishing the license plate revolving fund; amending Minnesota Statutes 1982, section 168.12, subdivisions 1, 5, and by adding a subdivision.

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

Brandl introduced:

H. F. No. 1608, A bill for an act relating to taxation; reinstating a provision of the Minneapolis rental registration law; amending Laws 1983, chapter 342, article 1, section 44.

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

Seaberg, by request, introduced:

H. F. No. 1609, A bill for an act relating to retirement; annuities of certain military affairs department personnel.

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

Uphus, Brinkman, Graba, Schoenfeld and Schafer introduced:

H. F. No. 1610, A bill for an act relating to state lands; prohibiting the purchase of certain wildlife lands; requiring an inventory of wildlife lands and notification of certain persons of their rights and obligations; amending Minnesota Statutes 1982, section 97.481, by adding a subdivision.

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

Voss, Coleman, Quinn, McDonald and Knuth introduced:

H. F. No. 1611, A bill for an act relating to commerce; manufactured homes; clarifying provisions relating to manufactured home safety features; amending Minnesota Statutes 1983 Supplement, section 327C.07, subdivisions 3a and 8.

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

Ogren, O'Connor and Sarna introduced:

H. F. No. 1612, A bill for an act relating to health; limiting nonsubscriber fees of providers participating in service agreements with nonprofit health service plan corporations; proposing new law coded in Minnesota Statutes, chapter 62C.

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

Ellingson introduced:

H. F. No. 1613, A bill for an act relating to corporations; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the modification in the bylaws of a certain provision relating to the voting power of shares; providing for cumulative voting for directors; providing a time limit on claims rejected by a corporation; amending Minnesota Statutes 1982, sections 302A.111, subdivisions 2 and 3; 302A.445, subdivision 3; and 302A.729, subdivision 1; Minnesota Statutes 1983 Supplement, sections 300.083, subdivision 6; and 302A.521, subdivision 6.

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

Schafer and McDonald introduced:

H. F. No. 1614, A bill for an act relating to education; repealing revenue equity aid subtraction; undoing its effects; repealing Minnesota Statutes 1983 Supplement, section 124.2138; and Laws 1983, chapter 314, article 13, section 3.

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



Redalen and Waltman introduced:

H. F. No. 1615, A bill for an act relating to taxation; income; reinstating pollution control and feedlot pollution control credits; amending Minnesota Statutes 1982, section 290.06, by adding subdivisions.

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

Schafer introduced:

H. F. No. 1616, A bill for an act relating to drainage; changing the fee for mailing certain notices; amending Minnesota Statutes 1982, section 106.531.

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

Carlson, L., introduced:

H. F. No. 1617, A bill for an act relating to elections; authorizing use of electronic voting systems for absentee voting in certain health care facilities; amending Minnesota Statutes 1983 Supplement, section 203B.08, subdivision 1a.

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

Minne, Kostohryz and Olsen introduced:

H. F. No. 1618, A bill for an act relating to elections; improving the accessibility of the election process to certain elderly and handicapped persons; amending Minnesota Statutes 1982, sections 201.071, subdivision 2; 201.091, subdivision 8; 203B.07; 204B.17; 204B.18, subdivision 1; 204B.27, subdivisions 3 and 4; 204C.06, subdivision 2; 204C.15, subdivision 1; 206.19, subdivision 2; 206.20; and Minnesota Statutes 1983 Supplement, sections 203B.02, subdivision 1; 204B.16; and 206.09; proposing new law coded in Minnesota Statutes, chapter 206.

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

Anderson, R.; Norton; Clark, K., and Knickerbocker introduced:

H. F. No. 1619, A bill for an act relating to state government; providing for the addition of a member, 60 years of age or over, to serve as a representative of the older population on certain state boards, commissions, advisory councils, task forces, or committees; proposing new law coded in Minnesota Statutes, chapter 15.

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

Rice and Swanson introduced:

H. F. No. 1620, A bill for an act relating to rehabilitation services for blind and visually handicapped persons; authorizing adoption of rules; amending Minnesota Statutes 1982, section 248.07, by adding a subdivision.

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

Metzen, Kostohryz, Greenfield, Blatz and Redalen introduced:

H. F. No. 1621, A bill for an act relating to veterans; allowing the American Veterans organization to use space in the Veterans Service Building; amending Minnesota Statutes 1982, section 197.58.

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

Schreiber, Clawson, Pauly, McEachern and Levi introduced:

H. F. No. 1622, A bill for an act relating to local government aids; amending the distribution formula; amending Minnesota Statutes 1983 Supplement, section 477A.011, subdivision 10.

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

Olsen, Piepho, Jennings, Levi and Schafer introduced :

H. F. No. 1623, A bill for an act relating to education; establishing an academic excellence academy for secondary school pupils; appropriating money; proposing new law coded as Minnesota Statutes, chapter 128B.

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

Blatz and Schreiber introduced :

H. F. No. 1624, A bill for an act relating to taxation; providing for early termination of the surtax on individual income tax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

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

Uphus, Brinkman, Graba, Schoenfeld and Schafer introduced :

H. F. No. 1625, A bill for an act relating to public waters and wetlands; clarifying certain terms; amending Minnesota Statutes 1982, section 105.37, subdivision 14.

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

Rose introduced :

H. F. No. 1626, A bill for an act relating to the city of Roseville; authorizing additional on-sale intoxicating liquor licenses.

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

Kelly introduced :

H. F. No. 1627, A bill for an act relating to crimes; defining sports bookmaking; amending Minnesota Statutes 1983 Supplement, section 609.75, subdivision 7.

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

Kelly introduced:

H. F. No. 1628, A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

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

Jensen introduced:

H. F. No. 1629, A bill for an act relating to claims against the state; providing for payment of a claim; appropriating money.

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

Neuenschwander and Battaglia introduced:

H. F. No. 1630, A bill for an act relating to natural resources; authorizing hunters and trappers to wear blaze orange camouflage; amending Minnesota Statutes 1983 Supplement, section 100.29, subdivision 8.

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

Wynia; Cohen; Rodriguez, F.; Nelson, K., and Brandl introduced:

H. F. No. 1631, A bill for an act relating to taxation; sales; providing that sales price does not include certain franchise fees; amending Minnesota Statutes 1982, section 297A.01, subdivision 8.

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

Segal and Sarna introduced:

H. F. No. 1632, A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing

for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivision 8; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; amending Minnesota Statutes 1983 Supplement, sections 82.22, subdivision 6; and 82.34, subdivision 7.

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

Skoglund introduced:

H. F. No. 1633, A bill for an act relating to metropolitan government; allowing the mosquito control district to take certain actions; amending Minnesota Statutes 1982, section 473.704, subdivision 17.

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

Kelly introduced:

H. F. No. 1634, A bill for an act relating to taxation; sales; providing that sales price does not include certain franchise fees; amending Minnesota Statutes 1982, section 297A.01, subdivision 8.

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

Peterson, Zaffke, Welle, Bergstrom and Metzen introduced:

H. F. No. 1635, A bill for an act relating to commerce; providing various definitions applicable to the regulation of sales of subdivided lands; providing for the registration of subdivided lands; requiring the use of public offering statements; providing certain exemptions to the subdivided land statutes; providing for the rescission of subdivided land sales contracts; regulating the filing of subdivided land documents; prohibiting the publish-

ing of false, misleading, or deceptive advertising regarding subdivided lands; providing the filing of annual reports; regulating supplemental subdivided land reports; providing for the revocation or suspension of a subdivided land registration; regulating service of process on subdivided land registration applicants; establishing prohibited practices; prescribing penalties; amending Minnesota Statutes 1982, sections 83.20, subdivisions 1, 5, 11, and by adding subdivisions; 83.21; 83.23; 83.24; 83.25, subdivision 1; 83.26; 83.27; 83.28; 83.29, by adding subdivisions; 83.30; 83.31; 83.33, subdivisions 1 and 2; 83.34, subdivision 1; 83.35; 83.36; 83.37; 83.38, subdivision 2; 83.39; 83.40; 83.41; 83.42; proposing new law coded in Minnesota Statutes, chapter 83; repealing Minnesota Statutes 1982, section 83.33, subdivision 3.

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

Carlson, L., introduced:

H. F. No. 1636, A bill for an act relating to motor vehicles; extending the period during which automobile registration taxes may be paid; amending Minnesota Statutes 1982, section 168.31, subdivision 1.

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

Anderson, B.; Coleman; Price and Schafer introduced:

H. F. No. 1637, A bill for an act relating to intoxicating liquor; prohibiting sale in proximity to public school buildings or grounds; amending Minnesota Statutes 1982, section 340.14, subdivision 3.

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

Vellenga, Peterson and McKasy introduced:

H. F. No. 1638, A bill for an act relating to highway traffic regulations; providing for breath tests to be administered using the Intoxilizer 5000 for the purpose of determining the presence of alcohol or a controlled substance; authorizing the results of Intoxilizer 5000 breath tests to be admissible into evidence in civil and criminal hearings; authorizing the admission into evidence of certain weight record documents; amending Minnesota Statutes 1982, sections 169.121, subdivision 6; 169.123, subdivisions 4, 5a, and by adding a subdivi-

sion; 169.851, subdivision 4; Minnesota Statutes 1983 Supplement, sections 169.121, subdivision 2; 169.123, subdivisions 2 and 3; proposing new law coded in Minnesota Statutes, chapter 634.

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

Segal, McEachern and Nelson, K., introduced:

H. F. No. 1639, A bill for an act relating to education; establishing a schools of excellence program; appropriating money; proposing new law coded in Minnesota Statutes, chapter 124.

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

McEachern; Segal; Levi; Nelson, K., and Price introduced:

H. F. No. 1640, A bill for an act relating to education; clarifying and improving the planning, evaluation, and reporting process; requiring school districts to participate in certain assessment programs; providing funding for assessment programs and the planning, evaluation, and reporting process; appropriating money; amending Minnesota Statutes 1982, sections 123.74; 123.741, as amended; and 123.742, as amended; Minnesota Statutes 1983 Supplement, section 123.743; proposing new law coded in Minnesota Statutes, chapter 123.

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

Jennings, McKasy, Findlay, Piepho and Dimler introduced:

H. F. No. 1641, A bill for an act relating to state government; providing for the express rejection of the recommended salary plans for constitutional officers, legislators, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court.

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

Rodriguez, C.; Ogren and Segal introduced:

H. F. No. 1642, A bill for an act relating to education; extending services to handicapped children from birth; amending Minnesota Statutes 1982, section 120.17, subdivisions 1, 2, 3a, and by adding subdivisions; and Minnesota Statutes 1983 Supplement, section 120.17, subdivision 3.

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

Hoffman, Price and Rodriguez, C., introduced:

H. F. No. 1643, A bill for an act relating to education; establishing a program for assessment of pupils' vision and hearing; authorizing state aid; appropriating money; proposing new law coded in Minnesota Statutes, chapter 123.

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

Scheid, Vellenga, Clawson and Welch introduced:

H. F. No. 1644, A bill for an act relating to health; exempting schools from license fee requirements of the department of health; exempting certain places of lodging from licensing requirements of the department; amending Minnesota Statutes 1982, sections 157.03 and 157.14.

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

Quinn introduced:

H. F. No. 1645, A bill for an act relating to local government; establishing a grant program for the planning and provision of joint municipal services by local governmental units; appropriating money; 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.



Kelly, Osthoff, Scheid, McKasy and Minne introduced:

H. F. No. 1646, A bill for an act relating to taxation; providing for a tax amnesty.

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

Hoffman, Jensen and Price introduced:

H. F. No. 1647, A bill for an act relating to traffic regulations; prohibiting operation of certain vehicles painted the color of school buses; requiring display of two numbered license plates on farm trucks; requiring that when protective headgear is required that it comply with standards established by the commissioner of public safety; prohibiting possession and storage of fireworks; amending Minnesota Statutes 1982, sections 169.44, subdivision 8; 169.79; Minnesota Statutes 1983 Supplement, section 169.974, subdivisions 2 and 6; and repealing Minnesota Statutes 1982, sections 169.672 and 169.755.

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

Peterson, Bergstrom and Welle introduced:

H. F. No. 1648, A bill for an act relating to taxation; repealing the aggregate tax for Benton county; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

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

Peterson, Schoenfeld, Welle, Price and Marsh introduced:

H. F. No. 1649, A bill for an act relating to retirement; authorizing teachers to purchase allowable service credit for military service or out of state teaching service; proposing new law coded in Minnesota Statutes, chapter 356.

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

Long; Munger; Nelson, D., and Anderson, R., introduced:

H. F. No. 1650, A bill for an act relating to the environment; clarifying a definition in the Environmental Response and Liability Act; amending Minnesota Statutes 1983 Supplement, section 115B.02, subdivision 15.

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

Hoberg, Vanasek, Heap, Heinitz and Clark, J., introduced:

H. F. No. 1651, A bill for an act relating to crimes; setting penalties for flight from a peace officer under certain conditions; amending Minnesota Statutes 1982, section 609.487, subdivision 4.

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

Jensen introduced:

H. F. No. 1652, A bill for an act relating to no-fault insurance; requiring no-fault insurance coverage of certain benefits rather than medicare coverage; amending Minnesota Statutes 1982, section 65B.61, subdivision 1; repealing Minnesota Statutes 1982, section 65B.61, subdivision 2b.

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

Carlson, L.; Clark, J.; Levi; Vellenga and Vanasek introduced:

H. F. No. 1653, A bill for an act relating to evidence; providing for admission into evidence of certain convictions for driving while under the influence of alcohol or a controlled substance; proposing new law coded in Minnesota Statutes, chapter 634.

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

Kelly, Kostohryz, Osthoff, Blatz and Carlson, D., introduced :

H. F. No. 1654, A bill for an act relating to animals; prohibiting the use of a decompression chamber to destroy an animal; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 343.

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

Brinkman, Skoglund and Kelly introduced :

H. F. No. 1655, A bill for an act relating to financial institutions; providing an expedited procedure for certain bank applications; providing a uniform examination cycle for all supervised institutions; providing a time period within which notices of the filing of applications for detached facilities must be published; providing prior notice to the commissioner of a change in the ownership of a state bank; bringing state law into conformity with federal law regarding limitations on loans to bank directors, officers, or employees; providing prior notification to the commissioner of the termination or cancellation of a fidelity bond to a bank; authorizing the commissioner, after notification, to order the bank to take action; clarifying the exclusion of bankers' acceptances from the restrictions upon total liabilities to a bank; extending the time period imposed on a bank for the filing of proof of publication of its quarterly report; modifying the definition of "demand deposits" in light of federal deregulation of interest rates; removing the photo identification requirement from the provisions regulating the opening of checking accounts; making various technical changes; amending Minnesota Statutes 1982, sections 46.04, subdivision 1; 48.03, subdivision 4; 48.08; 48.13; 48.14; 48.24, subdivision 6; 48.48, subdivisions 1 and 2; 48.51; 52.06, subdivision 1; 53.03, subdivision 4; 53.09, subdivision 1; Minnesota Statutes 1983 Supplement, sections 45.04; 47.54, subdivision 1; 48.512, subdivision 2; 52.203; 53.01; 53.03, subdivisions 1 and 5; and 168.67; repealing Minnesota Statutes 1982, sections 47.75, subdivision 2; and 51A.44, subdivision 3.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Solberg, Sieben, Heinitz and Sarna introduced :

H. F. No. 1656, A bill for an act relating to commerce; motor fuel franchises; providing for a temporary prohibition on certain building alterations that eliminate service bays.

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

Skoglund; Clark, J.; Riveness; Kvam and Redalen introduced:

H. F. No. 1657, A bill for an act relating to public improvements; providing for rehabilitation and renovation at the Minneapolis veterans home; authorizing issuance of state bonds; appropriating money.

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

Jensen introduced:

H. F. No. 1658, A bill for an act relating to elections; requiring employers to pay employees during their service as election judges; amending Minnesota Statutes 1983 Supplement, section 204B.195.

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

Ellingson, Heinitz, Brinkman, Sherman and Skoglund introduced:

H. F. No. 1659, A bill for an act relating to commerce; prohibiting limited partnerships from interposing the defense of usury; amending Minnesota Statutes 1982, section 334.021.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Wynia, Piper, Scheid, Forsythe and St. Onge introduced:

H. F. No. 1660, A bill for an act relating to public welfare; directing the commissioner of public welfare to study the need for a home and community-based service and apply for a waiver for chronically ill children under the federal medicaid program; proposing new law coded in Minnesota Statutes, chapter 256B.

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

Elioff, Tunheim, Brinkman, Vellenga and Hoffman introduced:

H. F. No. 1661, A bill for an act relating to taxation; reducing the basic maintenance school mill rate; reducing the classification ratio for commercial-industrial property; providing reimbursement to local units of government; repealing the income tax surtax; amending Minnesota Statutes 1982, section 124.2131, subdivision 4; Minnesota Statutes 1983 Supplement, sections 124.2122, subdivision 2; 273.13, subdivision 9; 290.06, subdivision 2e; proposing new law coded in Minnesota Statutes, chapter 273; repealing Laws 1983, chapter 342, article 1, section 8.

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

Schreiber, Johnson, Dimler, Bennett and Heinitz introduced:

H. F. No. 1662, A bill for an act relating to taxation; income; conforming to federal treatment of individual retirement plan contributions and certain pension plans; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

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

Fjoslien and Graba introduced:

H. F. No. 1663, A bill for an act relating to agriculture; making certain changes in apiary law; amending Minnesota Statutes 1983 Supplement, sections 19.55; 19.56; 19.57; 19.58, subdivisions 1 and 2; 19.64, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1983 Supplement, section 19.58, subdivision 6.

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

Clawson, O'Connor, Sviggum and Carlson, L., introduced:

H. F. No. 1664, A bill for an act relating to medical assistance; providing a rate exemption for intermediate care facilities for the mentally retarded; amending Minnesota Statutes 1983 Supplement, section 256B.501, by adding a subdivision.

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

Vanasek, Shea, Marsh, Schafer and Kelly introduced:

H. F. No. 1665, A bill for an act relating to crimes; traffic regulations; requiring revocation of a person's driver's license until his or her 19th birthday upon violation of a traffic law relating to the possession or consumption of alcohol; amending Minnesota Statutes 1982, sections 169.121, subdivision 4; 169.122, subdivision 4; 169.123, subdivision 4; 171.16, subdivision 5; and 171.17; Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2.

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

Anderson, G., introduced:

H. F. No. 1666, A bill for an act relating to counties; changing certain county powers; removing a lynching provision; fixing expenditure authority for various county activities; changing penalties; revising the language of the text of chapters governing county powers and county boards; amending Minnesota Statutes 1982, chapters 373, as amended, and 375, as amended; repealing Minnesota Statutes 1982, section 373.28.

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

Greenfield; Clark, J.; Zaffke; Simoneau and Wynia introduced:

H. F. No. 1667, A bill for an act relating to the operation of the department of economic security; funding sheltered workshop and work activity programs based on evaluated effectiveness; defining sheltered employee; requiring rulemaking and a report to the legislature; amending Minnesota Statutes 1982, sections 129A.01 and 129A.08.

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

Kahn; Erickson; Welch; Carlson, L., and Nelson, K., introduced:

H. F. No. 1668, A bill for an act relating to education; creating the Minnesota educational computing corporation as a public corporation; transferring assets of the Minnesota educational computing consortium to the corporation; amending Minnesota Statutes 1983 Supplement, section 3.732, subdivision 1; 10A.01,

subdivision 18; 15A.081, subdivision 1; 135A.07, subdivision 2; and proposing new law coded as Minnesota Statutes, chapter 119; repealing Minnesota Statutes 1982, section 120.83; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81.

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

Clawson, Norton, Vanasek, Bishop and McKasy introduced:

H. F. No. 1669, A bill for an act relating to the American constitution bicentennial; creating a commission to promote and coordinate commemoration of the event; appropriating money.

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

Voss introduced:

H. F. No. 1670, A bill for an act relating to transportation; expanding scope of state commuter van transportation program; amending Minnesota Statutes 1982, section 16.756, subdivisions 1, 1a, and 2.

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

Kahn; Clawson; Sparby; Nelson, K., and Carlson, D., introduced:

H. F. No. 1671, A bill for an act relating to communications; creating the Minnesota telecommunications council; appropriating money; proposing new law coded as Minnesota Statutes, chapter 16B.

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

Begich and Battaglia introduced:

H. F. No. 1672, A bill for an act relating to retirement; authorizing benefit increases for retired Eveleth police officers, firefighters, and surviving spouses.

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

Kahn; Battaglia; Nelson, K.; Riveness and Begich introduced:

H. F. No. 1673, A bill for an act relating to state government; providing for purchase of certain computer equipment by state employees; proposing new law coded in Minnesota Statutes, chapter 16.

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

Heap, Shaver and Knickerbocker introduced:

H. F. No. 1674, A bill for an act relating to taxation; income; repealing the unitary method of apportioning the income of multistate businesses; amending Minnesota Statutes 1982, section 290.095, subdivision 3; Minnesota Statutes 1983 Supplement, sections 290.07, subdivision 1; 290.17, subdivision 2; 290.21, subdivision 4; 290.34, subdivision 2; repealing Minnesota Statutes 1982, section 290.06, subdivision 15; and Laws 1982, chapter 523, article XXIX, section 6.

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

Gruenes and Tunheim introduced:

H. F. No. 1675, A bill for an act relating to traffic regulations; defining term; setting speed limit for alleyway; amending Minnesota Statutes 1982, section 169.01, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 169.

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



**Gruenes and Uphus introduced :**

H. F. No. 1676, A bill for an act relating to crimes; authorizing the court to specify conditions of release for persons charged with crimes while on court ordered release pending criminal proceedings for allegedly committing another crime; proposing new law coded in Minnesota Statutes, chapter 629.

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

**Gruenes introduced :**

H. F. No. 1677, A bill for an act relating to state employees; extending insurance benefits to certain state employees selecting early retirement; amending Minnesota Statutes 1983 Supplement, section 43A.24, subdivision 2.

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

**Skoglund introduced :**

H. F. No. 1678, A bill for an act relating to insurance; providing for the suspension of authority of self-insurance entities or self-insurers; modifying certain existing fees and providing certain new fees; transferring certain duties of the commissioner of commerce to the commissioner of revenue; establishing certain taxation filing requirements; providing for agent license renewals; authorizing the issuance of orders to show cause relating to license revocations; modifying certain insurance licensing dates; providing for the service of process on foreign companies and unauthorized insurers; removing the countersignature requirement for certain bid bonds and insurance policies; removing an exemption from regulation for certain self-insurance plan administrators and vendors of risk management services; providing for the use of health insurance claim forms; providing for the use of fire insurance binders; modifying the definitions of "motorcycle," "motor vehicle," "policy," and "utility vehicle" for purposes of automobile insurance regulation; increasing certain liability coverage on automobile insurance plan policies; providing for the cancellation or nonrenewal of a policy; defining "plan of reparation security"; requiring certain premium reports to be filed with the commissioner; prohibiting discrimination based on sex or marital status; modifying the expiration date of adjuster's licenses; providing for the appointment of the board of the compensation reinsurance association; making various technical changes; providing remedies;

prescribing penalties; appropriating money; amending Minnesota Statutes 1982, sections 60A.13, by adding a subdivision; 60A.15, subdivisions 1, 2, 2a, 6, 8, 9, 10, and by adding subdivisions; 60A.17, subdivisions 3, 5b, and by adding a subdivision; 60A.18, subdivision 3; 60A.19, subdivision 4; 60A.199; 60A.21, subdivision 2; 60A.23, subdivision 5; 62A.025; 65A.03; 65B.001, subdivision 4; 65B.06, subdivision 2; 65B.14, subdivisions 2 and 3; 65B.16; 65B.19; 65B.43, subdivisions 2, 13, and by adding a subdivision; 69.021, subdivisions 1, 2, 3, and by adding a subdivision; 69.58; 69.59; 72A.061, subdivision 2; 72A.07; 72A.20, by adding a subdivision; 72A.23, subdivision 1; 72B.04, subdivisions 7 and 10; 79.10; 176.181, subdivision 2, and by adding a subdivision; 271.01, subdivision 5; 299F.21; 299F.22; 299F.23; 299F.24; 299F.26, subdivisions 1 and 2; 424.165, subdivision 1; and 574.32; Minnesota Statutes 1983 Supplement, sections 60A.-05; 60A.14, subdivision 1; 60A.15, subdivisions 11 and 12; 60A.17, subdivisions 1a, 1d, and 6c; 60A.1701, subdivision 5; 60A.198, subdivision 3; 60A.23, subdivision 8; 65A.01, subdivision 3; 65B.17, subdivision 1; 69.011, subdivision 1; and 79.37; proposing new law coded in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; and 65B.48, subdivision 8.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Boo, Schoenfeld, Munger and Gustafson introduced:

H. F. No. 1679, A bill for an act relating to workers' compensation; providing coverage for certain employees of the University of Minnesota; amending Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Redalen introduced:

H. F. No. 1680, A bill for an act relating to taxation; income; eliminating withholding on pari-mutuel winnings; repealing Minnesota Statutes 1983 Supplement, section 290.92, subdivisions 27 and 28.

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

Skoglund, Wynia, and Brandl introduced :

H. F. No. 1681, A bill for an act relating to financial institutions; limiting liability on a joint bank account after divorce; proposing new law coded in Minnesota Statutes, chapter 528.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Sarna; Rodriguez, F.; Sviggum; Metzen and Wigley introduced :

H. F. No. 1682, A bill for an act relating to retirement; teachers; increasing employer additional contributions for deficit amortization purposes; amending Minnesota Statutes 1982, section 354.42, subdivision 5.

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

Osthoff, Minne, Scheid, Riveness and Larsen introduced :

H. F. No. 1683, A bill for an act relating to taxation; providing an income tax deduction for contributions to candidates for local office; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

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

Murphy introduced :

H. F. No. 1684, A bill for an act relating to criminal procedure; providing for the disposition of certain fines and penalties; amending Minnesota Statutes 1983 Supplement, section 487.33, subdivision 5.

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

Murphy introduced :

H. F. No. 1685, A bill for an act relating to local government; providing for the disposition of certain fines; amending Minnesota Statutes 1983 Supplement, section 487.33, subdivision 5.

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

Clawson, by request, introduced :

H. F. No. 1686, A bill for an act relating to dogs; authorizing persons to destroy certain dogs; declaring certain dogs to be public nuisances; changing certain procedures relating to dogs; requiring certain vaccinations; protecting guide dogs; imposing penalties; amending Minnesota Statutes 1982, sections 347.03; 347.04; 347.06; 347.11, subdivision 1; 347.14, subdivision 1; and 347.17; proposing new law coded in Minnesota Statutes, chapters 347 and 609; repealing Minnesota Statutes 1982, sections 347.05 and 347.07.

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

Jennings and Sieben introduced :

H. F. No. 1687, A bill for an act relating to health; providing adult persons the right to direct the withdrawal of life-sustaining procedures in the event of a terminal condition; proposing new law coded in Minnesota Statutes, chapter 144.

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

#### HOUSE ADVISORIES

The following recess House Advisory Bills were prefiled with the Speaker. Pursuant to House Rule 9.5 these advisory bills have been given a number and referred to committee.

Segal introduced :

H. A. No. 45, A proposal to study the information and referral systems for elderly community-based care services.

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

Blatz introduced :

H. A. No. 46, A proposal for the House Judiciary Committee to study the problem of child prostitution.

The advisory was referred to the Committee on Judiciary.

Johnson introduced:

H. A. No. 47, A proposal to study gross weight per axle limitation problem of refuse compactor vehicles.

The advisory was referred to the Committee on Transportation.

The following House Advisories were introduced:

Rodriguez, C., introduced:

H. A. No. 48, A proposal to study laws and rules relating to school bus drivers.

The advisory was referred to the Committee on Transportation.

Blatz introduced:

H. A. No. 49, A proposal to study the costs and billing practices of life support transportation services.

The advisory was referred to the Committee on Transportation.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned:

House Concurrent Resolution No. 6, A house concurrent resolution relating to adjournment of the Senate and House of Representatives until 1984.

Returned May 23, 1983

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. 989.

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. 989

A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the data practice act; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, and 10, and by adding a subdivision; 13.06, subdivisions 1 and 6; 13.31, subdivision 2; 13.41, by adding a subdivision; 13.43, subdivision 2; 13.44; 13.46, subdivision 2, and by adding subdivisions; 13.67; 144.335, subdivision 2; and 253B.03, subdivision 8; proposing new law coded in Minnesota Statutes, chapter 13.

May 23, 1983

The Honorable Jerome M. Hughes  
President of the Senate

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

We, the undersigned conferees for S. F. No. 989, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede to the House amendment and that S. F. No. 989 be further amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 13.46, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section:

(a) "Individual" means an individual pursuant to section 13.02, subdivision 8, but does not include a vendor of services.

(b) "Program" includes all programs for which authority is vested in a component of the welfare system pursuant to statute or federal law.

(c) "Welfare system" includes the department of public welfare, county welfare boards, *county welfare agencies*, human services boards, community mental health *center* boards, state hospitals, state nursing homes, and persons, agencies, institutions, organizations, and other entities under contract to any of the above agencies to the extent specified in the contract.

Sec. 2. Minnesota Statutes 1982, section 13.46, subdivision 2, is amended to read:

Subd. 2. [GENERAL.] Unless the data is summary data or a statute specifically provides a different classification, data on individuals collected, maintained, used or disseminated by the welfare system is private data on individuals, and shall not be disclosed except:

- (a) pursuant to section 13.05;
- (b) pursuant to (A VALID) court order;
- (c) pursuant to a statute specifically authorizing access to the private data;
- (d) to an agent of the welfare system, including appropriate law enforcement personnel, who are acting in the investigation, prosecution, criminal or civil proceeding relating to the administration of a program;
- (e) to personnel of the welfare system who require the data to determine eligibility, amount of assistance, and the need to provide services of additional programs to the individual;
- (f) to administer federal funds or programs; or
- (g) between personnel of the welfare system working in the same program.

*Data on individual clients or patients of public or private community mental health centers, established by section 245.62, or mental health divisions of counties and other providers under contract to deliver mental health services shall be treated as provided in subdivisions 7, 8, and 9.*

Sec. 3. Minnesota Statutes 1982, section 13.46, is amended by adding a subdivision to read:

*Subd. 7. [MENTAL HEALTH CENTER DATA.] Data on individual clients and patients of public or private community mental health centers or mental health divisions of counties and other providers under contract to deliver mental health services shall not be disclosed, except:*

- (a) pursuant to section 13.05;*
- (b) pursuant to court order; or*
- (c) pursuant to a statute specifically authorizing access to or disclosure of private data.*

**Sec. 4. Minnesota Statutes 1982, section 13.46, is amended by adding a subdivision to read:**

*Subd. 8. [ACCESS FOR AUDITING.] To the extent required by state or federal law, representatives of federal, state, or local agencies shall have access to data maintained by public or private community mental health centers, mental health divisions of counties, and other providers under contract to deliver mental health services which is necessary to achieve the purpose of auditing. Public or private community mental health centers, mental health divisions of counties, and other providers under contract to deliver mental health services shall not permit this data to identify any particular patient or client by name or contain any other unique personal identifier.*

**Sec. 5. Minnesota Statutes 1982, section 13.46, is amended by adding a subdivision to read:**

*Subd. 9. [FRAUD.] In cases of suspected fraud, in which access to mental health data maintained by public or private community mental health centers or mental health divisions of counties and other providers under contract to deliver mental health services is necessary to a proper investigation, the county board or the appropriate prosecutorial authority shall refer the matter to the commissioner of public welfare. The commissioner and his agents, while maintaining the privacy rights of individuals and families, shall have access to mental health data to conduct an investigation. If, as a result of the investigation, the commissioner deems it appropriate, he shall refer the matter to the appropriate legal authorities and may disseminate to those authorities whatever mental health data are necessary to properly prosecute the case.*

**Sec. 6. Minnesota Statutes 1982, section 13.46, is amended by adding a subdivision to read:**

*Subd. 10. [RESPONSIBLE AUTHORITY.] Notwithstanding any other provision of chapter 13 to the contrary, the re-*



*responsible authority for each component of the welfare system listed in subdivision 1, clause (c), shall be as follows:*

*(a) The responsible authority for the department of public welfare, state hospitals, and nursing homes is the commissioner of the department of public welfare;*

*(b) The responsible authority of a county welfare agency is the director of the county welfare agency;*

*(c) The responsible authority for a county welfare board, human services board, or community mental health center board is the chairman of the board; and*

*(d) The responsible authority of any person, agency, institution, organization, or other entity under contract to any of the components of the welfare system listed in subdivision 1, clause (c), of this section is the person specified in the contract.*

*A responsible authority shall allow another responsible authority in the welfare system access to data classified as restricted when access is necessary for the administration and management of programs, or is authorized or required by statute or federal law.*

Sec. 7. Minnesota Statutes 1982, section 144.335, subdivision 2, is amended to read:

Subd. 2. [PATIENT ACCESS.] Upon request a provider shall supply to a patient complete and current information possessed by that provider concerning any diagnosis, treatment and prognosis of the patient in terms and language the patient can reasonably be expected to understand.

Upon a patient's written request, a provider at a reasonable cost to the patient shall furnish to the patient (: (A)) copies of the patient's health record, including but not limited to laboratory reports, x-rays, prescriptions, and other technical information used in assessing the patient's health condition (; (B)), or the (PERTINENT) portion of the record relating to a (SPECIFIC) condition (; OR (C)) *specified by the patient. With the consent of the patient, the provider may instead furnish only a summary of the record.*

Subd. 2a. [EXCEPTION; NONFACILITY PROVIDERS.] *Notwithstanding the provisions of subdivision 2, if a provider, as defined in subdivision 1, clause (b) (1), reasonably determines that the information is detrimental to the physical or mental health of the patient, or is likely to cause the patient to harm himself or another, he may withhold the information from the patient (.) and may supply the information (MAY BE SUP-*

PLIED) to an appropriate third party or to another provider, as defined in subdivision 1, clause (b) (1). The *other* provider or third party may release the information to the patient.

*A provider as defined in subdivision 1, clause (b)(2), shall release information upon written request unless, prior to the request, a provider as defined in subdivision 1, clause (b)(1), has designated and described the specific basis for withholding the information as provided by this subdivision.*

Sec. 8. Minnesota Statutes 1982, section 253B.03, subdivision 8, is amended to read:

Subd. 8. [MEDICAL RECORDS.] A patient has the right to access to his medical records. Notwithstanding the provisions of section 144.335 (, SUBDIVISION 2,) every person subject to a proceeding or receiving services pursuant to this chapter shall have complete access to all of his medical records relevant to his commitment.

Sec. 9. 1983 S. F. No. 280, section 5, subdivision 3, is amended to read:

Subd. 3. [CONFIRM NO INVOLUNTARY CLOSING.] Before opening or authorizing signatory power over a transaction account, the financial intermediary shall attempt to verify the information disclosed for subdivision 2, clause (i). The financial intermediary may not open or authorize signatory power over a transaction account if (i) the applicant had a transaction account closed by a financial intermediary without his consent because of his issuance of dishonored checks within 12 months immediately preceding the application, or (ii) the applicant has been convicted of a criminal offense because of the use of a check or other similar item within 24 months immediately preceding the application.

*If the transaction account is refused pursuant to this subdivision, the reasons for the refusal shall be given to the applicant in writing and the applicant shall be allowed to provide additional information.*

Sec. 10. Minnesota Statutes 1982, section 609.535, subdivision 7, as amended by 1983 S. F. No. 280, section 10, is amended to read:

Subd. 7. [RELEASE OF ACCOUNT INFORMATION TO PAYEE OR HOLDER.] A drawee shall release the information specified in clauses (1) and (2) to the payee or holder of a check that has been dishonored who makes a written request for this information and states in writing that the check has been dishonored and that 30 days have elapsed since the mailing of the

notice described in subdivision 8 and who accompanies this request with a copy of the dishonored check and a copy of the notice of dishonor.

The requesting payee or holder shall notify the drawee immediately to cancel this request if payment is made before the drawee has released this information.

This subdivision applies to the following information relating to the drawer's account:

(1) Whether at the time the check was issued or presented for payment the drawer had sufficient funds or credit with the drawee, and whether at that time the account was open, closed, or restricted for any reason and the date it was closed or restricted; and

(2) The last known home address and telephone number of the drawer. (A) *The drawee (MAY BE LIABLE IN A CIVIL OR CRIMINAL PROCEEDING FOR RELEASING) may not release the (BUSINESS) address or (BUSINESS) telephone number of the place of employment of the drawer (TO THE PAYEE OR HOLDER) unless the drawer is a business entity or the place of employment is the home.*

The drawee shall release all of the information described in clauses (1) and (2) that it possesses within ten days after receipt of a request conforming to all of the provisions of this subdivision. The drawee may require the person requesting the information to pay the reasonable cost, not to exceed 15 cents per page, of reproducing and mailing the requested information.

A drawee is not liable in a criminal or civil proceeding for releasing information in accordance with this subdivision.

Sec. 11. [144.336] [REGISTRY OF PERSONS TYPED FOR HUMAN LEUKOCYTE ANTIGENS.]

*Subdivision 1. [RELEASE RESTRICTED.] No person, including the state, a state agency, or a political subdivision, that maintains or operates a registry of the names of persons, their human leukocyte antigen types, and their willingness to be a tissue donor shall reveal the identity of the person or his human leukocyte antigen type without the person's consent. If the data are maintained by a governmental entity, the data are classified as private data on individuals as defined in section 13.02, subdivision 12.*

*Subd. 2. [DUTIES.] Persons that maintain or operate a registry described in subdivision 1 have no responsibility for*

*any search beyond their own records to identify potential donors for the benefit of any person seeking a tissue transplant and have no duty to encourage potential donors to assist persons seeking a tissue transplant, and are not liable for their failure to do so.*

Sec. 12. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to collection and dissemination of data; clarifying issues relating to access to welfare data and medical records; refining provisions of the data practice act and the financial privacy act; amending Minnesota Statutes 1982, sections 13.46, subdivisions 1 and 2, and by adding subdivisions; 144.335, subdivision 2; and 253B.03, subdivision 8; amending 1983 S. F. No. 280, sections 5 and 10; proposing new law coded in Minnesota Statutes, chapter 144."

We request adoption of this report and repassage of the bill.

Senate Conferees: RANDOLH W. PETERSON, GENE MERRIAM and RON SIELOFF.

House Conferees: BOB ELLINGSON and TERRY DEMPSEY.

Ellingson moved that the report of the Conference Committee on S. F. No. 989 be adopted and that the bill be repassed as amended by the Conference Committee.

Rose moved that the Ellingson motion be laid on the table. The motion did not prevail.

Ellingson moved that the Message from the Senate and the Conference Committee Report on S. F. No. 989 be continued. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 292, A bill for an act relating to public welfare; defining persons responsible for a child's care under the child abuse reporting law; amending Minnesota Statutes 1982, section 626.556, subdivisions 2, 7, and 10.

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

Ellingson moved that the House refuse to adopt the Conference Committee report on S. F. No. 292 and that the bill be returned to the Senate and to the Conference Committee. The motion prevailed.

Mr. Speaker :

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

S. F. No. 1010.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 1010, A resolution memorializing the President and Congress of the United States to provide service-connected disability compensation for former members of the military forces who were exposed in Vietnam to toxic herbicides, chemicals, medications, and other environmental hazards and conditions.

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

#### MOTIONS AND RESOLUTIONS

Rice moved that H. F. No. 361 be recalled from the Committee on Appropriations and be re-referred to the Committee on Education. The motion prevailed.

Kahn moved that H. F. No. 1315 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Transportation. The motion prevailed.

Brandl moved that the name of Berkelman be stricken and the name of Brandl be added as chief author on H. F. No. 378. The motion prevailed.

Anderson, G., moved that his name be stricken and the name of Heinitz be added as chief author on H. F. No. 938. The motion prevailed.

Schafer moved that the name of Sviggum be added as an author on H. F. No. 986. The motion prevailed.

Clark, J., moved that the name of Blatz be added as an author on H. F. No. 1386. The motion prevailed.

O'Connor moved that the name of Rodriguez, F., be added as an author on H. F. No. 1385. The motion prevailed.

Solberg moved that the name of Rodriguez, C., be stricken and the name of Rodosovich be added as an author on H. F. No. 1408. The motion prevailed.

Graba moved that the name of Krueger be added as an author on H. F. No. 1413. The motion prevailed.

O'Connor moved that the name of Uphus be added as an author on H. F. No. 1416. The motion prevailed.

Solberg moved that the name of Uphus be added as an author on H. F. No. 1423. The motion prevailed.

Segal moved that the names of Carlson, L.; Battaglia; Elioff and Ellingson be added as authors on H. F. No. 1424. The motion prevailed.

Clark, K., moved that the name of Long be added as an author on H. F. No. 1437. The motion prevailed.

Sviggum moved that the name of Levi be added as an author on H. F. No. 1441. The motion prevailed.

Findlay moved that the name of Piper be added as an author on H. F. No. 1442. The motion prevailed.

Sparby moved that the name of McEachern be added as an author on H. F. No. 1449. The motion prevailed.

Olsen moved that the names of Segal and Battaglia be added as authors on H. F. No. 1455. The motion prevailed.

McEachern moved that the names of Nelson, K.; Levi and Anderson, B., be added as authors on H. F. No. 1464. The motion prevailed.

Clawson moved that the name of Levi be added as an author on H. F. No. 1466. The motion prevailed.

McEachern moved that the name of Osthoff be stricken as an author on H. F. No. 1490. The motion prevailed.

O'Connor moved that the name of Dempsey be added as an author on H. F. No. 1506. The motion prevailed.

Simoneau moved that the name of Knuth be added as an author on H. F. No. 1511. The motion prevailed.

Osthoff moved that the name of Quinn be added as an author on H. F. No. 1525. The motion prevailed.

Clark, J., moved that the name of Clark, K., be added as an author on H. F. No. 1386. The motion prevailed.

Krueger moved that the name of McEachern be added as an author on H. F. No. 1532. The motion prevailed.

Nelson, D., moved that his name be stricken as an author on H. F. No. 1553. The motion prevailed.

Clark, K., moved that the names of Brandl and Kahn be added as authors on H. F. No. 1571. The motion prevailed.

Piepho moved that the name of McEachern be added as an author on H. F. No. 1583. The motion prevailed.

Sarna moved that the name of Jacobs be added as an author on H. F. No. 1469. The motion prevailed.

Sarna moved that the name of Jacobs be added as an author on H. F. No. 1467. The motion prevailed.

Vellenga moved that the names of McKasy and Long be added as authors on H. F. No. 1400. The motion prevailed.

Valan moved that the name of Findlay be added as an author on H. F. No. 1372. The motion prevailed.

Vellenga moved that the name of Clark, K., be added as an author on H. F. No. 1411. The motion prevailed.

Redalen moved that the name of Fjoslien be added as an author on H. F. No. 1497. The motion prevailed.

Nelson, D., moved that the name of Rodriguez, C., be added as an author on H. F. No. 1361. The motion prevailed.

Findlay moved that H. F. No. 43 be returned to its author. The motion prevailed.

Gustafson moved that H. F. No. 1306 be returned to its author. The motion prevailed.

Coleman moved that H. F. No. 1341 be returned to its author. The motion prevailed.

Valan, Schreiber, Elioff and Jacobs introduced :

House Resolution No. 16, A house resolution commemorating the servicemen from Minnesota serving in the United States Marine Corps who served in Lebanon and died there as peace-keepers.

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

Wynia, Vellenga, Norton, Kelly and Tomlinson introduced :

House Concurrent Resolution No. 7, A house concurrent resolution commending the Saint Paul Community Business Leaders, previously known as the Saint Paul Jaycees, for their decision to forfeit membership in the National Jaycees organization in order to retain full membership privileges for women.

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

#### ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced the following changes in committee assignments:

Appropriations: Remove the name of Berkelman and add the name of Price.

Education: Remove the name of Price and add the name of Boo.

Financial Institutions and Insurance: Remove the name of Berkelman and add the name of Scheid.

Health and Welfare: Add the name of Boo.



## ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, March 8, 1984. 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., Thursday, March 8, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SIXTY-SECOND DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 8, 1984

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 Tomas E. Meeks, House Chaplain, Ramsey, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Ellingson	Kostohryz	Piper	Stadum
Anderson, G.	Erickson	Krueger	Price	Staten
Anderson, R.	Findlay	Kvam	Quinn	Sviggum
Battaglia	Fjoslien	Larsen	Quist	Swanson
Beard	Forsythe	Long	Redalen	Thiede
Begich	Frerichs	Ludeman	Reif	Tomlinson
Bennett	Graba	Mann	Rice	Tunheim
Bergstrom	Greenfield	Marsh	Riveness	Uphus
Bishop	Gruenes	McDonald	Rodosovich	Valan
Blatz	Gustafson	McEachern	Rodriguez, C.	Valento
Boo	Gutknecht	Minne	Rodriguez, F.	Vanasek
Brandl	Halberg	Munger	Rose	Vellenga
Brinkman	Haukoos	Murphy	St. Onge	Voss
Burger	Heap	Nelson, D.	Sarna	Waltman
Carlson, D.	Heinitz	Nelson, K.	Schafer	Welch
Carlson, L.	Himle	Neuenschwander	Schoenfeld	Weiker
Clark, J.	Hoffman	Norton	Schreiber	Welle
Clark, K.	Hokr	O'Connor	Seaberg	Wenzel
Clawson	Jacobs	Ogren	Segal	Wigley
Cohen	Jennings	Olsen	Shaver	Wynia
Coleman	Jensen	Omann	Shea	Zaffke
Dempsey	Johnson	Onnen	Sherman	Speaker Sieben
DenOuden	Kahn	Otis	Simoneau	
Dimler	Kalis	Pauly	Skoglund	
Eken	Kelly	Peterson	Solberg	
Elioff	Knickerbocker	Piepho	Sparby	

A quorum was present.

Evans, Hoberg, Levi, McKasy, Metzen, Osthoff and Scheid were excused.

Knuth was excused until 3:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kvam moved that further reading of the Journal be dis-

pensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 432, 1156, 1279, 404 and 1304 and S. F. No. 214 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1291, A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 8; removing the constitutional restrictions on permanent school fund investments; establishing statutory restrictions; amending Minnesota Statutes 1982, section 11A.16, subdivision 4.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1408, A bill for an act relating to education; defining school bus; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; and 171.01, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 169.01, subdivision 6, is amended to read:

Subd. 6. [SCHOOL BUS.] "School bus" means [EVERY] a motor vehicle (OWNED BY A PUBLIC OR GOVERNMENTAL AGENCY AND OPERATED FOR THE TRANSPORTATION OF CHILDREN TO OR FROM SCHOOL OR PRIVATELY OWNED AND OPERATED FOR COMPENSATION FOR THE TRANSPORTATION OF CHILDREN TO OR FROM SCHOOL) *used to transport pupils to or from a school defined in section 120.10, or to or from school-related activities, by the school or a school district, or by someone under an agreement with the school or a school district. A school bus does not include a motor vehicle transporting children to or from school for which parents or guardians receive direct compensation from a school district, a motor coach operating under charter carrier authority, or a transit bus.*

Sec. 2. Minnesota Statutes 1982, section 169.44, subdivision 1c, is amended to read:

Subd. 1c. [VIOLATION; PENALTY.] (1) A peace officer may arrest the driver of a motor vehicle if the peace officer has probable cause to believe that the driver has operated the vehicle in violation of subdivision 1 within the past (TWO) *four* hours.

(2) The owner or, in the case of a leased vehicle, the lessee of a motor vehicle, may be fined not to exceed \$100, if a motor vehicle owned or leased by the person is operated in violation of subdivision 1. The owner or lessee may not be so fined if the motor vehicle was stolen, or if conviction of another is had for a violation of subdivision 1. This subdivision does not apply to a lessor of a motor vehicle if the lessor keeps a record of the name and address of the lessee. This subdivision does not prohibit or limit the prosecution of a motor vehicle operator for violating subdivision 1. A violation of this clause does not constitute grounds for revocation or suspension of the owner's driver's license.

Sec. 3. Minnesota Statutes 1982, section 169.44, subdivision 2, is amended to read:

Subd. 2. [LOADING AND UNLOADING PASSENGERS; USE OF SIGNALS.] (a) Drivers of a vehicle outwardly equipped and identified as a school bus shall actuate the pre-warning flashing amber signals of the bus before stopping to load or unload a school child or children at least 300 feet when operating outside an incorporated municipality and at least 100 feet when operating within an incorporated municipality and, upon stopping for such purpose, such drivers shall extend the stop signal arm and actuate the flashing red signals and shall not retract the stop signal arm and extinguish the flashing red signals until loading or unloading is completed and persons who must cross the street or highway are safely across.

(b) School bus drivers shall not actuate the pre-warning flashing amber signals or flashing red signals:

(1) in special school bus loading areas where the bus is entirely off the traveled portion of the road;

(2) in residence or business districts of cities except when directed by the local school administrator;

(3) when a school bus is being used on a highway for purposes other than the actual transportation of school children to or from school or a school approved activity, in which event the words "school bus" on the front and rear of the bus shall be removed or completely concealed; and

(4) at railroad grade crossings.

(c) Where school children must cross the road before boarding or after being discharged from the bus, the driver of a school bus or a school bus patrol may supervise such crossings making use of the standard school patrol flag or signal as approved and prescribed by the commissioner of public safety. When children are alighting from a school bus, (AND NOT CROSSING THE ROAD,) the driver shall visually ascertain that alighting children shall be a safe distance from the bus before moving the bus.

(d) Vehicles not outwardly equipped and identified as school buses shall load or unload school children only from the right hand side of the vehicle, except on a one way street such vehicle shall load or unload school children only from the curb side of the vehicle.

Sec. 4. Minnesota Statutes 1982, section 169.44, subdivision 8, is amended to read:

Subd. 8. [VEHICLES USED AS OTHER THAN SCHOOL BUSES.] A (VEHICLE) *bus* which is (NO LONGER) *not primarily* used as a school bus shall not be operated on a public street or highway unless it is painted a color (OTHER) *significantly different* than that required by law for school buses, including for purposes of this subdivision, Minnesota school bus golden orange, and all school bus related equipment and printing shall be removed from said vehicles. Violation of this subdivision is a misdemeanor.

Sec. 5. Minnesota Statutes 1982, section 169.44, subdivision 15, is amended to read:

Subd. 15. [TYPE THREE SCHOOL BUS.] Type three school buses are restricted to passenger cars, station wagons, and vans with a maximum manufacturer's rated seating capacity of ten persons including the driver, *and a gross vehicle weight rating of 10,000 pounds or less. For purposes of this subdivision, a "gross vehicle weight rating" or "GVW rating" means the value specified by the manufacturer as the loaded weight of a single vehicle.*

A type three school bus shall not in any way be outwardly equipped and identified as a school bus, as defined in subdivision 1a.

Sec. 6. Minnesota Statutes 1982, section 169.45, is amended to read:

169.45 [SCHOOL BUSES.]

The state board of education (SHALL HAVE) *has* sole and exclusive authority to adopt and enforce (REGULATIONS) *rules* not inconsistent with this chapter to govern the design, color, and operation of school buses used for the transportation of school children, when owned and operated by a school (DISTRICT) or privately owned and operated under a contract with a school (DISTRICT), and these (REGULATIONS SHALL) *rules must* be made a part of (ANY SUCH) *that* contract by reference. Each school district, its officers and employees, and each person employed under such a contract is subject to these regulations.

Sec. 7. Minnesota Statutes 1982, section 171.01, is amended by adding a subdivision to read:

*Subd. 21. [SCHOOL BUS.] "School bus" means a motor vehicle used to transport pupils to or from a school defined in section 120.10, or to or from school-related activities, by the school or a school district or by someone under an agreement with the school or a school district. A school bus does not include a motor vehicle transporting children to or from school for which parents or guardians receive direct compensation from a school district, a motor coach operating under charter carrier authority, or a transit bus."*

Delete the title and insert:

"A bill for an act relating to public safety; traffic regulations; regulating school buses; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; 169.44, subdivisions 1c, 2, 8, and 15; 169.45; and 171.01, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1491, A bill for an act relating to highway traffic regulations; authorizing an increase in driver improvement clinic fees; amending Minnesota Statutes 1982, section 169.972, subdivision 2.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 1408 and 1491 were read for the second time.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House Files were introduced:

Anderson, B., introduced:

H. F. No. 1688, A bill for an act relating to school districts; restricting commercial activity and recruiting on school grounds; proposing new law coded in Minnesota Statutes, chapter 123.

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

Anderson, G.; Kalis; Erickson and Anderson, B., introduced:

H. F. No. 1689, A bill for an act relating to vocational-technical education; permitting South Dakota residents to attend Minnesota postsecondary vocational-technical schools at Minnesota resident tuition rates; amending Minnesota Statutes 1982, section 124.565, by adding a subdivision.

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

Anderson, B., introduced:

H. F. No. 1690, A bill for an act relating to agriculture; changing the coverage of provisions relating to pesticide control; amending Minnesota Statutes 1982, section 18A.21, subdivision 8.

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

Marsh, Valento, Bennett, Omann and Sviggum introduced:

H. F. No. 1691, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Heap, Shaver, Piepho and Hokr introduced:

H. F. No. 1692, A bill for an act relating to taxation; providing for early termination of the income tax surtax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

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

Reif, Swanson and Blatz introduced:

H. F. No. 1693, A bill for an act relating to occupations and professions; authorizing the board of medical examiners to set practice standards for midwives; amending Minnesota Statutes 1982, sections 148.31 and 148.32.

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

Olsen, Hokr, Valento, Dimler and Seaberg introduced:

H. F. No. 1694, A bill for an act relating to metropolitan government; changing procedures for appointment of metropolitan council members; amending Minnesota Statutes 1982, section 473.123, by adding subdivisions; Minnesota Statutes 1983 Supplement, section 473.123, subdivisions 3 and 3a; repealing Minnesota Statutes 1983 Supplement, section 473.123, subdivision 2a.

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



Vanasek, Bishop, Sherman, Shea and Schoenfeld introduced:

H. F. No. 1695, A bill for an act relating to courts; accelerating the effective date of judicial reorganization in the third judicial district; amending Minnesota Statutes 1982, section 487.191.

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

Gustafson introduced:

H. F. No. 1696, A bill for an act relating to commerce; excluding certain securities and commodities agreements from plain language contract regulation; amending Minnesota Statutes 1983 Supplement, section 325G.30, subdivision 3.

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

Coleman introduced:

H. F. No. 1697, A bill for an act relating to retirement; allowing municipal planners to participate in a deferred compensation plan in lieu of public employees retirement association membership; amending Minnesota Statutes 1982, section 353.028.

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

Coleman introduced:

H. F. No. 1698, A bill for an act relating to retirement; allowing administrative personnel to participate in a deferred compensation plan in lieu of public employees retirement association membership; amending Minnesota Statutes 1982, section 353.028.

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

Coleman introduced :

H. F. No. 1699, A bill for an act relating to state lands; terminating a possible right of reversion to the state in certain real estate.

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

Coleman; Clark, K.; Scheid; Welle and Valan introduced :

H. F. No. 1700, A bill for an act relating to insurance; increasing replacement service loss benefits in no-fault auto insurance; amending Minnesota Statutes 1982, section 65B.44, subdivision 5.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Olsen, Seaberg, Hokr, McKasy and Quist introduced :

H. F. No. 1701, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Erickson, Ludeman, Dimler, Thiede and Haukoos introduced :

H. F. No. 1702, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Valan; Gustafson; Johnson; Anderson, G., and Boo introduced :

H. F. No. 1703, A bill for an act relating to local government; authorizing joint exercise of police powers; amending Minnesota Statutes 1982, section 471.59, by adding a subdivision.

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

Riveness, Knuth, Quinn, Price and Hoffman introduced :

H. F. No. 1704, A bill for an act relating to local government aids; amending the distribution formula; amending Minnesota Statutes 1983 Supplement, section 477A.0131, subdivision 1.

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

Bishop, Norton, Simoneau, Levi and Rodriguez, C., introduced :

H. F. No. 1705, A bill for an act relating to public employment; encouraging units of local government to assure equitable compensation relationships; providing a grant program; mandating a study; appropriating money; proposing new law coded in chapter 471.

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

Olsen and Segal introduced :

H. F. No. 1706, A bill for an act relating to St. Louis Park; providing authority to the housing and redevelopment authority to review and approve development in redevelopment areas.

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

Kostohryz, Osthoff, Quinn, Evans and Dempsey introduced :

H. F. No. 1707, A bill for an act relating to gambling; creating a charitable gambling control board and prescribing its powers and duties; imposing a tax on the gross receipts of charitable gambling; making an annual appropriation; prescribing penalties; amending Minnesota Statutes 1982, sections 349.11; 349.12; 349.13; 349.14; 349.15; 349.16; 349.17; 349.18; 349.19; 349.20; 349.21; 349.22; and 349.31, subdivision 1; Minnesota Statutes 1983 Supplement, sections 340.14, subdivision 2; 609.75, subdivision 3; and 609.761; proposing new law coded in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1982, section 349.26.

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

Coleman, Swanson, Wynia, Valan and Kostohryz introduced:

H. F. No. 1708, A bill for an act relating to mental health; authorizing establishment of a demonstration project for treatment of compulsive gamblers; appropriating money; proposing new law coded in Minnesota Statutes, chapter 240.

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

Peterson, Riveness, Larsen, Zaffke and Marsh introduced:

H. F. No. 1709, A bill for an act relating to state government; specifying powers and duties of the commissioner of the department of energy and economic development; providing services for small businesses; amending Minnesota Statutes 1982, sections 116J.67, subdivision 8; 116J.68; Minnesota Statutes 1983 Supplement, sections 116J.10; 116J.61; proposing new law coded in Minnesota Statutes, chapter 116J.

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

Valento, Dempsey, Ludeman, Pauly and Blatz introduced:

H. F. No. 1710, A bill for an act relating to the legislature; requiring action on tax bills to be taken before the 50th legislative day and action on general appropriations must be taken after that; proposing new law coded in Minnesota Statutes, chapter 3.

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

DenOuden introduced:

H. F. No. 1711, A bill for an act relating to state lands; transferring to Renville county the picnic grounds area of Birch Coulee battlefield state historic site; appropriating money; amending Minnesota Statutes 1982, section 138.025, subdivision 11.

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

Welle, Price, Neuenschwander, Solberg and Peterson introduced:

H. F. No. 1712, A bill for an act relating to drainage; changing the amount of bond on appeal; amending Minnesota Statutes 1982, section 106.631, subdivision 2.

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

Ludeman, Findlay, Marsh, Valento and Uphus introduced:

H. F. No. 1713, A bill for an act relating to the legislature; redefining "legislative day" as any calendar day except Sunday; amending Minnesota Statutes 1982, section 3.012.

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

Olsen, Schreiber, Waltman, Hokr and Findlay introduced:

H. F. No. 1714, A bill for an act relating to school districts; reducing the basic maintenance mill rate; amending Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2.

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

Anderson, B., introduced:

H. F. No. 1715, A bill for an act relating to parks; authorizing the use of metal detectors within state parks; proposing new law coded in Minnesota Statutes, chapter 85.

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

Welch; Bergstrom; Carlson, D.; Peterson and Clawson introduced:

H. F. No. 1716, 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 the issuance of state bonds; appropriating money.

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

Peterson, McEachern, Bergstrom, Graba and Munger introduced:

H. F. No. 1717, A bill for an act relating to game and fish; authorizing the selection of alternate areas by deer hunters hunting on a bucks only license; amending Minnesota Statutes 1982, sections 97.48, subdivision 24; and 98.46, subdivision 2.

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

Kvam, Brinkman, Brandl and Olsen introduced:

H. F. No. 1718, A bill for an act relating to school districts; permitting a transfer during fiscal year 1984 from the capital expenditure fund to the general fund under certain conditions; amending Minnesota Statutes 1982, section 121.912, by adding a subdivision.

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

Kvam, Brinkman, Brandl and Olsen introduced:

H. F. No. 1719, A bill for an act relating to Independent School District No. 464, Grove City; authorizing the transfer of \$80,000 from the capital outlay fund to the general fund; requiring local approval.

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

Price, Vellenga, Greenfield, Piepho and Wynia introduced:

H. F. No. 1720, A bill for an act relating to education; allowing financial aid after the time normally required to complete a bachelor's degree; amending Minnesota Statutes 1983 Supplement, section 136A.121, subdivision 10.

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

Segal, Tomlinson, Pauly, Minne and Bishop introduced :

H. F. No. 1721, A bill for an act relating to real property; providing certain notice of real estate tax judgment sales; amending Minnesota Statutes 1983 Supplement, section 280.01.

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

Wynia; Krueger; Clark, J.; Coleman and Bishop introduced :

H. F. No. 1722, A bill for an act relating to crimes; changing the limitation period for certain criminal sexual conduct offenses; amending Minnesota Statutes 1982, section 628.26.

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

Otis introduced :

H. F. No. 1723, A bill for an act relating to traffic regulations; requiring motorized bicycle operators and passengers to wear protective headgear; amending Minnesota Statutes 1982, section 169.223, by adding a subdivision.

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

Riveness and Blatz introduced :

H. F. No. 1724, A bill for an act relating to the city of Bloomington; authorizing the city to impose a tax on the gross receipts from the furnishing of lodging and upon the privilege of admittance to entertainment events.

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

Voss, Munger, Quinn, Staten and Bishop introduced :

H. F. No. 1725, A bill for an act relating to energy; providing for miscellaneous changes in the programs of the state related to energy; appropriating money; amending Minnesota Statutes

1982, section 116J.19, subdivision 13; Minnesota Statutes 1983 Supplement, sections 116J.09; 116J.18, subdivision 1; and 116J.31; proposing new law coded in Minnesota Statutes, chapter 116J.

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

Blatz, Himle and Riveness introduced:

H. F. No. 1726, A bill for an act relating to local government; providing for exemption from taxation on certain lands for which conveyance is authorized by the metropolitan sports facilities commission to the city of Bloomington.

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

Sviggum, Hokr, Uphus, Findlay and Waltman introduced:

H. F. No. 1727, A bill for an act relating to taxation; income; providing a credit for home care of the elderly; amending Minnesota Statutes 1982, section 290.06, by adding a subdivision.

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

Pauly; Rodriguez, C.; Beard; Levi and Rose introduced:

H. F. No. 1728, A bill for an act relating to outdoor recreation; authorizing exemption of certain cross country skiers from licensing requirements; amending Minnesota Statutes 1983 Supplement, section 85.41, subdivision 3.

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

Sherman, by request, introduced:

H. F. No. 1729, A bill for an act relating to commerce; protecting consumers; providing for testing and licensing those selling, installing, servicing, or repairing fireplaces and wood-burning appliances; creating a board; proposing new law coded in Minnesota Statutes, chapter 326.

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



Anderson, G.; Kalis; Neuenschwander; Wenzel and Johnson introduced:

H. F. No. 1730, A bill for an act relating to transportation; accelerating phased transfer of motor vehicle excise tax from general fund to highway user tax distribution fund and transit assistance fund; amending Minnesota Statutes 1983 Supplement, section 297B.09.

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

Voss, Vanasek, Ellingson, Halberg and Coleman introduced:

H. F. No. 1731, A bill for an act relating to probate; clarifying factors to be considered in determining the compensation of a personal representative; providing for review; amending Minnesota Statutes 1982, section 524.3-719.

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

Riveness, Swanson, Price, Kahn and Seaberg introduced:

H. F. No. 1732, A bill for an act relating to school districts; changing the capital expenditure levy to allow its use for books and software; amending Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11a.

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

Clark, K.; Minne and Jacobs introduced:

H. F. No. 1733, A bill for an act relating to public utilities; providing that the public utilities commission adopt rules requiring utilities to pay interest on money refunded to customer and limiting amount of payment required on estimated bills; proposing new law coded in Minnesota Statutes, chapter 216B.

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

Voss; Munger; McDonald; Anderson, G., and Battaglia introduced:

H. F. No. 1734, A bill for an act relating to waste management; suspending the selection process of hazardous waste disposal facility sites; proposing new law coded in Minnesota Statutes, chapter 115A.

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

Dempsey introduced:

H. F. No. 1735, A bill for an act relating to crimes; requiring the court to impose a stay of execution of sentence with a 90-day period of incarceration as a condition of probation for certain offenders convicted of a first offense of burglary of a dwelling; amending Minnesota Statutes 1983 Supplement, section 609.583.

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

Dempsey and Sherman introduced:

H. F. No. 1736, A bill for an act relating to elections; regulating lobbyist and candidate activities and contributions; proposing new law coded in Minnesota Statutes, chapter 10A.

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

Dempsey introduced:

H. F. No. 1737, A bill for an act relating to transportation; accelerating phased transfer of motor vehicle excise tax from general fund to highway user tax distribution fund and transit assistance fund; appropriating the money to the commissioner of transportation; amending Minnesota Statutes 1983 Supplement, section 297B.09.

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

Redalen, Schoenfeld, Valan and Ogren introduced :

H. F. No. 1738, A bill for an act relating to taxation; income; providing a credit for the cost of certain conservation tillage farm equipment; amending Minnesota Statutes 1982, section 290.06, by adding a subdivision.

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

Jacobs introduced :

H. F. No. 1739, A bill for an act relating to capital improvements; authorizing acquisition of land adjacent to Anoka-Ramsey Community College; appropriating money.

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

Munger; Nelson, D.; Vanasek and Rodriguez, C., introduced :

H. F. No. 1740, A bill for an act relating to public safety; restricting certificates of exemption for electrical transformers and capacitors containing PCB; requiring owners of transformers and capacitors to report location of those containing PCB; requiring removal of certain transformers and capacitors containing PCB; imposing strict liability for failure to remove; establishing penalties; amending Minnesota Statutes 1982, section 116.37, subdivisions 1, 5, and by adding subdivisions.

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

DenOuden introduced :

H. F. No. 1741, A bill for an act relating to sheriffs; authorizing the removal of certain deputies and employees at pleasure; amending Minnesota Statutes 1982, section 387.14.

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

Krueger introduced:

H. F. No. 1742, A bill for an act relating to state government; amending the definition of "socially or economically disadvantaged person" for purposes of the set-aside program; amending Minnesota Statutes 1983 Supplement, section 16.083, subdivision 4.

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

Sparby, Sarna, Scheid, Metzen and Heinitz introduced:

H. F. No. 1743, A bill for an act relating to occupations and professions; removing an auctioneer's exemption from real estate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

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

Bennett, Tomlinson, Knuth, O'Connor and Rose introduced:

H. F. No. 1744, A bill for an act relating to retirement; public employees police and fire fund membership for Ramsey County correctional officers; options for certain officers; amending Minnesota Statutes 1982, section 353.64, by adding a subdivision.

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

Kvam, Schafer, Piepho, Forsythe and Sherman introduced:

H. F. No. 1745, A bill for an act relating to taxation; providing for early termination of the surtax on individual income tax; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; repealing Laws 1983, chapter 342, article 1, section 8.

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

Thiede, Tunheim, Graba, Zaffke and Krueger introduced:

H. F. No. 1746, A bill for an act relating to taxation; providing an income tax credit for gasoline or special fuel used in motorboats; amending Minnesota Statutes 1983 Supplement, sections 290.06, subdivision 13; 296.18, subdivision 1; and 296.421, subdivision 5.

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

Boo, Uphus, Burger, Findlay and Zaffke introduced:

H. F. No. 1747, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

The bill was read for the first time.

Pursuant to Article IV, Section 19 of the Constitution of the State of Minnesota, Jennings moved that the rule therein be suspended and an urgency be declared so that House File No. 1747 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

Ogren moved that the Jennings motion be laid on the table.

A roll call was requested and properly seconded.

#### POINT OF ORDER

Halberg raised a point of order pursuant to section 283, paragraph 6 of "Mason's Manual of Legislative Procedure" relating to the Ogren motion to lay the Jennings motion on the table. The Speaker ruled the point of order not well taken and the Ogren motion in order.

The question recurred on the Ogren motion and the roll was called. There were 72 yeas and 54 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Mann	Quinn	Staten
Anderson, G.	Ellingson	McEachern	Rice	Swanson
Battaglia	Graba	Minne	Riveness	Tomlinson
Beard	Greenfield	Munger	Rodosovich	Tunheim
Begich	Gustafson	Murphy	Rodriguez, C.	Vanasek
Bergstrom	Hoffman	Nelson, D.	Rodriguez, F.	Vellenga
Brandl	Jacobs	Nelson, K.	St. Onge	Voss
Brinkman	Jensen	Neuenschwander	Sarna	Welch
Carlson, L.	Kahn	Norton	Schoenfeld	Welle
Clark, J.	Kalis	O'Connor	Segal	Wenzel
Clark, K.	Kelly	Ogren	Shea	Wynia
Clawson	Kostohryz	Otis	Simoneau	Speaker Sieben
Cohen	Krueger	Peterson	Skoglund	
Coleman	Larsen	Piper	Solberg	
Eken	Long	Price	Sparby	

Those who voted in the negative were:

Anderson, R.	Findlay	Hokr	Pauly	Stadum
Bennett	Fjoslien	Jennings	Piepho	Sviggum
Bishop	Forsythe	Johnson	Quist	Thiede
Blatz	Frerichs	Knickerbocker	Redalen	Uphus
Boo	Gruenes	Kvam	Reif	Valan
Burger	Gutknecht	Ludeman	Rose	Valento
Carlson, D.	Halberg	Marsh	Schafer	Waltman
Dempsey	Haukoos	McDonald	Schreiber	Welker
DenOuden	Heap	Olsen	Seaberg	Wigley
Dimler	Heinitz	Omann	Shaver	Zaffke
Erickson	Himle	Onnen	Sherman	

The motion prevailed.

H. F. No. 1747 was referred to the Committee on Taxes.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS, Continued

Anderson, B., introduced:

H. F. No. 1748, A bill for an act relating to taxation; exempting county fair boards from collection of sales tax on admission to certain entertainment events; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

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

Solberg, Neuenschwander, Battaglia and Carlson, D., introduced:

H. F. No. 1749, A bill for an act relating to game and fish; exempting hunters on licensed game farms in the northern por-

tion of the state from the requirement of a pheasant stamp; amending Minnesota Statutes 1983 Supplement, section 97.4843, subdivision 2.

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

Kahn, Vellenga, Sarna, Bennett and Evans introduced :

H. F. No. 1750, A bill for an act relating to alcoholic beverages; allowing licensed premises to remain open after the hour sales of alcoholic beverages must cease; amending Minnesota Statutes 1982, section 340.14, subdivision 5; Minnesota Statutes 1983 Supplement, sections 340.034, subdivision 1; and 340.14, subdivision 1.

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

Kahn introduced :

H. F. No. 1751, A bill for an act relating to taxation; requiring amendment of property tax refund claims when property taxes are reduced; amending Minnesota Statutes 1982, section 375.192, by adding a subdivision.

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

Marsh, Valento, Bennett, Gruenes and Omann introduced :

H. F. No. 1752, A bill for an act relating to the legislature; providing a minimum time between final agreement upon a conference committee report and floor action; proposing new law coded in Minnesota Statutes, chapter 3.

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

Marsh, Gruenes, Cohen, Sarna and Omann introduced :

H. F. No. 1753, A bill for an act relating to the city of St. Cloud; giving the city the powers of a port authority.

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

Marsh, Ogren, Peterson, Vanasek and Evans introduced:

H. F. No. 1754, A bill for an act relating to marriage dissolution; imposing a penalty for delinquency in paying child support; proposing new law coded in Minnesota Statutes, chapter 518.

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

Marsh, Haukoos, Vanasek, Ogren and Gruenes introduced:

H. F. No. 1755, A bill for an act relating to crimes; prohibiting interfering with emergency communications over a citizen's band radio channel; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 609.

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

Olsen, Findlay, Hokr, McDonald and Waltman introduced:

H. F. No. 1756, A bill for an act relating to taxation; income; allowing a credit for energy conservation expenditures; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 14.

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

Coleman, Rodosovich, Larsen, Sviggum and Clark, K., introduced:

H. F. No. 1757, A bill for an act relating to state departments and agencies; allowing the commissioner of administration to transfer to local government units certain supplies, materials, and equipment; allowing the commissioner of administration to charge a price sufficient to cover costs when selling copies of laws and resolutions; allowing the commissioner of administration to lease office space and purchase supplies and equipment without the approval of the governor; allowing the commissioner of administration to provide for the use of certain motor vehicles by the governor and lieutenant governor; relating to the use of state vehicles and compensation for use of personal vehicles; including in the definition of the term "employee" for purposes of workers'



compensation a voluntary uncompensated worker accepted by the commissioner of administration; specifying the United States department of labor as the entity which designates a labor surplus area; amending Minnesota Statutes 1982, sections 16.02, subdivisions 18 and 24; 16.243, subdivision 1; 16.753, subdivision 5; and 645.445, subdivision 5; and Minnesota Statutes 1983 Supplement, sections 16.75, subdivision 7; and 176.011, subdivision 9.

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

Schreiber, Jennings, Halberg, Stadum and Ludeman introduced:

H. F. No. 1758, A bill for an act relating to state government; reducing the budget reserve account; appropriating money; amending Minnesota Statutes 1983 Supplement, section 16A.15, subdivision 6.

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

Kelly, Kostohryz, Dempsey, Sviggum and Gustafson introduced:

H. F. No. 1759, A bill for an act relating to military justice; modifying the appeal of court-martial proceedings; clarifying when a military judge may issue search warrants; amending Minnesota Statutes 1982, sections 192A.325; 192A.345, subdivisions 2 and 8; 192A.612; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3.

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

Graba introduced:

H. F. No. 1760, A bill for an act relating to natural resources; authorizing a private sale of certain state fisheries land.

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

Brinkman introduced:

H. F. No. 1761, A bill for an act relating to taxation; releasing certain counties from the requirement to impose an aggregate removal tax; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

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

Bennett, Marsh, Simoneau, Neuenschwander and Hokr introduced:

H. F. No. 1762, A bill for an act relating to taxation; exempting from the sales tax certain purchases by nonprofit community service organizations; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

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

Murphy introduced:

H. F. No. 1763, A bill for an act relating to unemployment compensation; providing for the disqualification of benefits under certain circumstances; amending Minnesota Statutes 1982, section 268.09, subdivision 3.

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

Carlson, L.; Swanson; Kahn; Bishop and Vellenga introduced:

H. F. No. 1764, A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

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

Segal, Sarna, Riveness, Heap and Staten introduced:

H. F. No. 1765, A bill for an act relating to economic development; establishing the Minnesota Business Assistance Advisory Task Force; proposing new law coded in Minnesota Statutes, chapter 116J.

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

Riveness; Rodriguez, C.; Segal; Pauly and Solberg introduced:

H. F. No. 1766, A bill for an act relating to local government; requiring every political subdivision to establish equitable compensation relationships among its employees; 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.

Simoneau introduced:

H. F. No. 1767, A bill for an act relating to workers' compensation; clarifying the law concerning ridesharing; providing for miscellaneous changes in the workers' compensation process; amending Minnesota Statutes 1982, sections 176.061, by adding subdivisions; 176.221, by adding a subdivision; 176.231, subdivision 1; 176.241, subdivision 1, and by adding a subdivision; 176.351, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 176.041, subdivision 1; 176.051, subdivisions 2 and 3; 176.101, subdivision 3t; 176.103, subdivision 2, and by adding a subdivision; 176.129, subdivisions 3, 4, and by adding a subdivision; 176.221, subdivisions 1 and 3; 176.231, subdivision 9; 176.241, subdivision 2; 176.242, subdivisions 1, 2, 3, and 8; 176.421, subdivision 7; 176.442; and 176.66, subdivision 11; repealing Minnesota Statutes 1983 Supplement, sections 176.051, subdivision 4; and 176.129, subdivision 5.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Valan introduced:

H. F. No. 1768, A bill for an act relating to Independent School District No. 852, Campbell-Tintah; authorizing the transfer of interest income from the capital expenditure fund to the general fund; requiring local approval.

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

Munger, Krueger, Graba, Battaglia and Anderson, R., introduced:

H. F. No. 1769, A bill for an act relating to water pollution control; establishing an independent state grants program for the construction of municipal wastewater treatment facilities; appropriating money; amending Minnesota Statutes 1982, sections 115.03, subdivision 1; 116.16, subdivisions 2, 4, 5, 9, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, section 116.18; repealing Minnesota Statutes 1982, section 116.16, subdivisions 6 and 7.

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

Sarna; Kahn; Skoglund; Clark, J., and Long introduced:

H. F. No. 1770, A bill for an act relating to the city of Minneapolis; authorizing compensation for members of the park and recreation board; amending Laws 1974, chapter 181, section 1, as amended.

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

Norton introduced:

H. F. No. 1771, A bill for an act relating to financial institutions; credit unions; providing for reciprocity between Minnesota credit unions and credit unions from states that have enacted similar laws; amending Minnesota Statutes 1982, section 52.03.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Clark, J., introduced:

H. F. No. 1772, A bill for an act relating to corrections; clarifying the effect of punitive segregation confinement on an inmate's scheduled release date; amending Minnesota Statutes 1983 Supplement, sections 244.04, subdivision 1; and 244.05, subdivision 1.

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

Jensen, Sieben, Munger, Rice and Rose introduced:

H. F. No. 1773, A bill for an act relating to solid waste; reducing the number of proposed sites in metropolitan counties for mixed municipal solid waste disposal facilities; amending Minnesota Statutes 1983 Supplement, section 473.803, subdivision 1a.

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

Tunheim; Graba; Anderson, G.; Valan and Erickson introduced:

H. F. No. 1774, A bill for an act relating to transportation; providing for distribution of town road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

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

Otis, Voss, Sarna and Fjoslien introduced:

H. F. No. 1775, A bill for an act relating to energy and economic development; energy and economic development authority; adding definitions; clarifying duties and powers of the energy and economic development authority; correcting statutory references; appropriating money; amending Minnesota Statutes 1982, sections 116J.36, subdivisions 3, 4, 6, 8, and by adding a subdivision; 116J.88, as amended; 116J.89, subdivision 4; 116J.90, by adding a subdivision; 116J.91, subdivisions 15, 17, 18, and by adding subdivisions; 474.01, subdivisions 7 and 7a; Minnesota Statutes 1983 Supplement, sections 116J.89, subdivisions 1, 1a, 1b, 1c, 2, 6, and 8; 116J.90, subdivisions 1, 2, 3, 5, and 6; 116J.91, subdivisions 1, 4, 11, 12, 16, 19, and 20; 116J.923, subdivision 7; 116J.924, subdivision 3; 116J.925, subdivisions 1 and 3; 275.125, subdivision 12a; Laws 1983, chapter 323, section 5, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 1983 Supplement, sections 116J.922; 116J.923, subdivisions 2 and 12; and 116J.924, subdivision 1.

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

Otis, Kvam, Munger, Begich and Schreiber introduced :

H. F. No. 1776, A bill for an act relating to taxation; income; reinstating pollution control and feedlot pollution control credits; amending Minnesota Statutes 1982, section 290.06, by adding subdivisions.

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

Shaver, Munger, Rose, Schafer and Long introduced :

H. F. No. 1777, A bill for an act relating to natural resources; requiring legislative approval of certain peat land leases; amending Minnesota Statutes 1982, section 92.50, subdivision 1.

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

Munger, Kahn, Sparby, Knuth and Anderson, G., introduced :

H. F. No. 1778, A bill for an act relating to environment; changing the date by which the pollution control agency must adopt an acid deposition standard for acid deposition in certain sensitive areas; amending Minnesota Statutes 1982, section 116.44, subdivision 2.

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

Wenzel introduced :

H. F. No. 1779, A bill for an act relating to taxation; income; reducing the corporate tax rates; amending Minnesota Statutes 1983 Supplement, section 290.06, subdivision 1.

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

Wenzel introduced :

H. F. No. 1780, A bill for an act relating to the town of Green Prairie; permitting the town to exercise certain powers.

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

Coleman introduced:

H. F. No. 1781, A bill for an act relating to taxes; clarifying the consequences of certain conveyances of tax-forfeited land; amending Minnesota Statutes 1982, section 282.01, subdivision 1.

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

Krueger, Thiede and Fjoslien introduced:

H. F. No. 1782, A bill for an act relating to education; prohibiting a school district from commencing the school year prior to Labor Day; amending Minnesota Statutes 1982, section 126.12.

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

Solberg; Nelson, K.; Peterson; Rose and Marsh introduced:

H. F. No. 1783, A bill for an act relating to school districts; requiring uniform financial accounting and reporting standards imposed on certain transactions; amending Minnesota Statutes 1982, sections 121.908, by adding a subdivision; and 465.721.

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

Larsen, Norton, Wigley, Quinn and Heinitz introduced:

H. F. No. 1784, A bill for an act relating to the state board of investment; establishing combined investment funds; amending Minnesota Statutes 1982, sections 11A.14; and 11A.24, subdivision 2; and Minnesota Statutes 1983 Supplement, section 11A.24, subdivision 1; repealing Minnesota Statutes 1982, section 356.20, subdivision 5.

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

Skoglund introduced:

H. F. No. 1785, A bill for an act relating to financial institutions; credit unions; authorizing a credit union to establish demand deposits; amending Minnesota Statutes 1983 Supplement, section 52.04, subdivision 1.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Piper, Riveness, Burger, Redalen and Kostohryz introduced:

H. F. No. 1786, A bill for an act relating to the military; modifying the qualifications of the adjutant general; changing the appointment of assistant adjutant generals; mandating termination of an officer's commission when federal recognition is withdrawn; expanding the power of the adjutant general to sell an armory; and expanding the use of the proceeds from the sale of an armory; amending Minnesota Statutes 1982, sections 190.07; 190.08, subdivisions 1, 3, and 4; 190.09; 192.18, subdivision 1; and 193.36, subdivision 2; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3.

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

Eken, Wynia, Swanson, Onnen and Sviggum introduced:

H. F. No. 1787, A bill for an act relating to public welfare; changing the formula for allocating federal title XX funds to counties; appropriating money; amending Minnesota Statutes 1982, section 256E.07, subdivision 1, and by adding subdivisions; repealing Minnesota Statutes 1982, section 256E.07, subdivision 3.

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

Thiede, Dempsey, Schafer, Dimler and Erickson introduced:

H. F. No. 1788, A bill for an act proposing an amendment to the Minnesota Constitution relating to the legislature; amending article IV to provide for initiative and referendum.

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



Carlson, D., introduced:

H. F. No. 1789, A bill for an act relating to taxation; property; extending class 3 property to certain property owned by veterans organizations; amending Minnesota Statutes 1983 Supplement, section 273.13, subdivision 4.

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

Rodriguez, C., introduced:

H. F. No. 1790, A bill for an act relating to metropolitan government; specifying the duties of the chair, chief administrator, and commission relating to employment decisions; amending Minnesota Statutes 1982, section 473.141, subdivisions 9, 11, and 12; Minnesota Statutes 1983 Supplement, section 473.141, subdivision 3.

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

Tunheim, Otis, Valan and Sparby introduced:

H. F. No. 1791, A bill for an act relating to waters; legislative approval of a certain diversion by the North Kittson Rural Water District.

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

Begich and Murphy introduced:

H. F. No. 1792, A bill for an act relating to liquor; prohibiting persons under 19 years of age from consuming nonintoxicating malt liquor on licensed premises; amending Minnesota Statutes 1982, section 340.035, subdivision 1.

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

Dimler; Rodriguez, C.; Erickson and Anderson, G., introduced:

H. F. No. 1793, A bill for an act relating to motor vehicles; changing display period for license plates on certain motor vehicles; changing period of time when registration tax is payable for certain motor vehicles; abolishing the penalty for late

or delayed registration or payment of the registration tax; amending Minnesota Statutes 1982, sections 168.09, subdivisions 2 and 3; 168.10, subdivision 1; and 168.31, subdivision 1; repealing Minnesota Statutes 1982, section 168.31, subdivision 3.

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

Heap, Piepho and Hokr introduced:

H. F. No. 1794, A bill for an act relating to taxation; income; providing that certain social security and railroad retirement benefits are not included in gross income; amending Minnesota Statutes 1982, section 290.08, by adding a subdivision.

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

Brinkman and Skoglund introduced:

H. F. No. 1795, A bill for an act relating to taxation; transferring insurance gross premium tax administration to the department of revenue; changing penalty and interest provisions; deleting obsolete provisions and making clarifications; amending Minnesota Statutes 1982, sections 60A.13, by adding a subdivision; 60A.15, subdivisions 1, 2, 2a, 6, 8, 9, 10, and by adding subdivisions; 60A.199; 69.021, subdivisions 1 and 3; 69.58; 69.59; 72A.061, subdivision 1; 271.01, subdivision 5; 299F.21; 299F.22; 299F.23; 299F.24; 299F.26, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 60A.15, subdivisions 11 and 12; 60A.198, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1982, section 69.031, subdivision 6.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Minne, Munger, Jensen and Battaglia introduced:

H. F. No. 1796, A bill for an act relating to taxation; imposing a tax on the transfer of motor vehicles; dedicating the proceeds of the tax for the screening or removal of salvage yards adjacent to trunk highways; appropriating money; amending Minnesota Statutes 1982, section 161.242, subdivisions 3 and 4; proposing new law coded in Minnesota Statutes, chapter 161.

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

Vellenga; Rodriguez, C.; Long; Dimler and Pauly introduced:

H. F. No. 1797, A bill for an act relating to transportation; public transit; creating a regional transit board and specifying its powers and duties; transferring certain powers and duties to the regional transit board from the commissioner of transportation and the metropolitan transit commission; specifying certain powers of the metropolitan council; reducing and reappropriating certain appropriations; amending Minnesota Statutes 1982, sections 174.22, subdivisions 5, 10, 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 221.295; 473.121, subdivisions 7, 10, 11, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, by adding subdivisions; 473.449; Minnesota Statutes 1983 Supplement, sections 15A.081, subdivision 7; 174.24, subdivision 3; 221.041, by adding a subdivision; 221.071, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 221; and 473; repealing Minnesota Statutes 1982, sections 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 473.121, subdivisions 9 and 16; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; 473.451; 474.265; 474.31.

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

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Schoenfeld introduced:

H. A. No. 50, A proposal to study farm animal waste management.

The advisory was referred to the Committee on Agriculture.

#### GENERAL ORDERS

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

#### REPORT OF THE COMMITTEE OF THE WHOLE

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

H. F. Nos. 1156 and 1304 which it recommended to pass.

H. F. Nos. 404, 432 and 1279 which it recommended progress.

S. F. No. 214 which it recommended progress.

During the meeting of the Committee of the Whole, Representatives Kahn, Forsythe and Piper paid tribute to the late Helen E. McMillan of Austin, Minnesota, former House member who passed away last month.

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

### MOTIONS AND RESOLUTIONS

Murphy moved that the name of Elioff be stricken and the name of St. Onge be added as an author on H. F. No. 347. The motion prevailed.

Anderson, R., moved that the name of Findlay be added as an author on H. F. No. 728. The motion prevailed.

Simoneau moved that his name be stricken as an author on H. F. No. 735. The motion prevailed.

Vanasek moved that the name of Long be added as chief author on H. F. No. 1012. The motion prevailed.

Jennings moved that the name of DenOuden be added as an author on H. F. No. 1334. The motion prevailed.

Evans moved that the name of Findlay be added as an author on H. F. No. 1342. The motion prevailed.

Johnson moved that the name of Minne be added as an author on H. F. No. 1374. The motion prevailed.

Jacobs moved that the name of Piper be added as an author on H. F. No. 1384. The motion prevailed.

Krueger moved that the name of Graba be added as an author on H. F. No. 1425. The motion prevailed.

Neuenschwander moved that the name of Wenzel be added as an author on H. F. No. 1447. The motion prevailed.

Neuenschwander moved that the names of Solberg, Battaglia, Minne and Carlson, D., be added as authors on H. F. No. 1451. The motion prevailed.

Jacobs moved that the name of Shea be added as an author on H. F. No. 1474. The motion prevailed.

Simoneau moved that the name of Osthoff be added as an author on H. F. No. 1481. The motion prevailed.

Redalen moved that the name of Findlay be added as an author on H. F. No. 1497. The motion prevailed.

Anderson, G., moved that the name of Shea be added as an author on H. F. No. 1510. The motion prevailed.

Krueger moved that the name of Wenzel be added as an author on H. F. Nos. 1512 and 1513. The motion prevailed.

Krueger moved that the name of Shea be added as an author on H. F. No. 1513. The motion prevailed.

Minne moved that the name of Solberg be added as an author on H. F. No. 1563. The motion prevailed.

Kalis moved that his name be stricken as an author on H. F. No. 1592. The motion prevailed.

Graba moved that the name of Rodosovich be added as an author on H. F. No. 1593. The motion prevailed.

Price moved that the name of Beard be added as an author on H. F. No. 1598. The motion prevailed.

Schafer moved that the name of Findlay be added as an author on H. F. No. 1614. The motion prevailed.

Neuenschwander moved that the names of Carlson, D., and Rose be added as authors on H. F. No. 1630. The motion prevailed.

Hoffman moved that the name of Shea be added as an author on H. F. No. 1643. The motion prevailed.

Solberg moved that the name of St. Onge be added as an author on H. F. No. 1749. The motion prevailed.

Dempsey moved that the name of Piepho be added as an author on H. F. No. 1736. The motion prevailed.

Anderson, G., moved that the name of Welker be added as an author on H. F. No. 1689. The motion prevailed.

Wenzel moved that the name of Beard be added as an author on H. F. No. 1779. The motion prevailed.

#### MOTION TO TAKE FROM THE TABLE

Clawson moved that H. F. No. 1149 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.

Sherman introduced:

House Resolution No. 17, A house resolution congratulating the Warriors team from Winona State University for winning the 1983 Northern Inter-collegiate Conference Championship.

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

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.

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

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1149:

Clawson, Jacobs and Carlson, D.

## ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, March 12, 1984. 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 12, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SIXTY-THIRD DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 12, 1984

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 Mr. Al Lavansky, American Legion 4th District Chaplain, St. Paul, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Ellingson	Kostohryz	Pauly	Skoglund
Anderson, R.	Erickson	Krueger	Peterson	Solberg
Battaglia	Evans	Kvam	Piepho	Sparby
Beard	Findlay	Larsen	Piper	Stadum
Begich	Fjoslien	Long	Price	Staten
Bennett	Forsythe	Ludeman	Quian	Svigum
Bergstrom	Frerichs	Mann	Quist	Swanson
Bishop	Greenfield	Marsh	Redalen	Thiede
Blatz	Gruenes	McDonald	Reif	Tomlinson
Boo	Gutknecht	McEachern	Rice	Tunheim
Brandl	Halberg	McKasy	Rodosovich	Uphus
Brinkman	Haukoos	Metzen	Rodriguez, C.	Valan
Burger	Heinitz	Minne	Rodriguez, F.	Valento
Carlson, D.	Himle	Munger	Rose	Vanasek
Carlson, L.	Hoffman	Murphy	St. Onge	Voss
Clark, J.	Hokr	Nelson, D.	Sarna	Waltman
Clerk, K.	Jacobs	Nelson, K.	Schafer	Welch
Clawson	Jennings	Neuenschwander	Scheid	Welker
Cohen	Jensen	Norton	Schoenfeld	Welle
Coleman	Johnson	O'Connor	Schreiber	Wenzel
Dempsey	Kahn	Olsen	Seaberg	Wigley
DenOuden	Kalis	Omann	Segal	Wynia
Dimler	Kelly	Onnen	Shaver	Zaffke
Eken	Knickerbocker	Osthoff	Shea	Speaker Sieben
Elioff	Knuth	Otis	Sherman	

A quorum was present.

Graba, Gustafson, Heap, Hoberg, Levi, Ogren, Riveness, Simoneau and Vellenga were excused.

Anderson, G., was excused until 2:45 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kvam moved that further reading of the Journal be dis-



pensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1491 and 1408 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 950, A bill for an act relating to state government; governing compensation of members of boards, councils, and committees who are public employees; providing for per diem compensation for attendance of commissioners of the Northwest Minnesota Multi-County Housing and Redevelopment Authority at meetings; amending Minnesota Statutes 1982, sections 15.059, subdivision 3; and 214.09, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 121.

Reported the same back with the following amendments:

Page 3, line 18, delete "1983" and insert "1984"

Page 3, line 20, delete "1983" and insert "1984"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1055, A bill for an act relating to land surveying; authorizing counties to contract for the preservation and re-monumentation of the United States public land survey; appropriating money; amending Minnesota Statutes 1982, sections 287.21, subdivision 2; 287.25; 287.28; 287.29, subdivision 1; and 389.011, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 287.

Reported the same back with the following amendments:

Page 2, line 3, delete "*where necessary,*"

Page 2, line 32, delete everything after the period

Page 2, delete line 33

Page 3, delete lines 4 to 7

Page 3, line 9, delete "*administration*" and insert "*commerce*"

Page 3, line 12, delete everything after "*standards*" and insert "*within one year of the effective date of this act.*"

Page 4, line 1, after "*located*" insert "*or the county surveyor if he maintains a full-time office based in a building maintained by the county*"

Page 4, line 29, delete "*when*" and insert "*if*"

Page 4, line 29, delete "*basis*" and insert "*based*"

Page 4, line 30, delete everything after the period

Page 4, delete line 31

Page 4, delete lines 33 and 34

Page 4, line 35, delete "*surveyor*" and insert:

*"The county board of each county must establish an advisory committee which consists of the following persons:*

*(a) one person designated by the commissioner of transportation;*

*(b) one person designated by the commissioner of commerce;*

*(c) three persons designated by the county board, of whom one must be a county commissioner, one must be a registered civil engineer or registered land surveyor who is not the county surveyor, and one must be a lay member"*

Page 5, line 4, delete "*A copy of the report must be*"

Page 5, delete line 5 and insert "*This section does not apply to a county which has certified completion of its remonumentation program under section 17, subdivision 2.*"

Page 6, line 22, delete "\$ . . . . ." and insert "\$70,000, or so much thereof as is necessary,"

Page 6, line 22, delete "*administration*" and insert "*commerce, in each of the fiscal years 1984 and 1985,*"

Page 6, line 24, after "5" insert "*provided that if the payment for either year is insufficient the payment for the other year is available*"

Page 6, line 32, after "completed" insert "*in compliance with standards promulgated under section 5*"

Page 6, line 33, after "completion" insert "*in compliance with the standards*"

Page 6, line 33, delete "*Subsequent annual*"

Page 6, delete lines 34 and 35

Page 6, line 36, delete "*the general fund.*" and insert "*The commissioner may distribute funds under this section to a county where the survey has not been completed only if the county certifies that the funds will be used only to complete the survey.*"

Page 8, after line 29, insert :

"Sec. 19. Minnesota Statutes 1982, section 389.011, subdivision 3, is amended to read :

Subd. 3. [BOND (, OATH).] (ANY) A county surveyor appointed or elected after July 1, 1961, before entering upon his duties shall (GIVE BOND TO THE STATE, APPROVED BY THE COUNTY BOARD, IN THE SUM OF \$2,000 CONDITIONED FOR THE FAITHFUL DISCHARGE OF HIS DUTIES. WHICH BOND, WITH HIS OATH, TOGETHER WITH) *file for record* a certified copy of his registration as a land surveyor or his certificate of election (SHALL BE FILED FOR RECORD) with the county recorder. *A county surveyor holding office on January 1, 1985, must have on file with the county recorder a bond to the state in the penal sum of \$25,000, to be approved and filed in the same manner as the bonds of other county officers. All premiums for the bond must be paid by the county. The state and its political subdivisions, or any person damaged by a wrongful act or omission of the county surveyor in the performance of his official duties may maintain an action on the bond for the recovery of the damages so sustained.*"

Page 8, line 30, delete "19" and insert "20"

Page 8, line 32, after the period insert "*Section 19 is effective January 1, 1985.*"

Amend the title as follows :

Page 1, line 7, delete "subdivision 2" and insert "subdivisions 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.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1153, A bill for an act relating to Anoka County; authorizing the issuance of bonds for the construction of library buildings and an annual levy for debt retirement.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1377, A bill for an act relating to local government; providing for supplemental local government aid payments to certain cities and towns; appropriating money.

Reported the same back with the following amendments:

Page 1, line 18, delete "*However, if a governmental*"

Page 1, delete lines 19 to 25

Page 2, delete lines 1 and 2 and insert "*If a governmental unit is subject to levy limitation pursuant to Laws 1983, chapter 342, article 3, section 1, and to the extent that the amount distributed under section 1 is greater than the amount by which the governmental unit's levy limitation for taxes payable in 1984 exceeds its levy subject to limitation for taxes payable in 1984, the commissioner shall require that the governmental unit's levy limitation for taxes payable in 1985 be reduced by the excess.*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1456, A bill for an act relating to Otter Tail county; authorizing the board of county commissioners to sell certain real property.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 1481, A bill for an act relating to financial institutions; credit unions; authorizing credit unions to offer various classes of shares, share certificates, deposits, or deposit certificates; authorizing the board of directors to establish different classes of shares and place certain restrictions on one class of shares; specifying certain components of the capital of a credit union; permitting the board to pay no dividend; permitting the exclusion of one share of a member from the requirement for insurance; amending Minnesota Statutes 1982, sections 52.12; 52.18; and 52.24, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 52.04, subdivision 1; 52.05; and 52.09, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 52.01, is amended to read:

#### 52.01 [ORGANIZATION.]

Any seven residents of the state may apply to the commissioner of banks for permission to organize a credit union.

A credit union is a cooperative society, incorporated for the two-fold purpose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes.

A credit union is organized in the following manner:

(1) The applicants execute, in duplicate, a certificate of organization by the terms of which they agree to be bound, which shall state:

- (a) the name and location of the proposed credit union;
  - (b) the names and addresses of the subscribers to the certificate and the number of shares subscribed by each;
- ((C) THE PAR VALUE OF THE SHARES OF THE CREDIT UNION, WHICH SHALL NOT EXCEED \$10 EACH;)
- (2) The applicants submit the following in the form prescribed by the commissioner of banks:
    - (a) a statement of the common bond of the proposed credit union;
    - (b) the number of potential members;
    - (c) the geographic dispersion of the potential members;
    - (d) evidence of interest, including willingness of potential members to assume responsibility for leadership and service;
    - (e) a two-year forecast of probable levels of assets, shares and deposits, and income and expense;
    - (f) the availability of other credit union services to the potential members;
    - (g) other information the commissioner requires;
  - (3) They next prepare and adopt bylaws for the general governance of the credit union consistent with the provisions of this chapter, and execute them in duplicate;
  - (4) The certificate and the bylaws, both executed in duplicate, are forwarded to the commissioner of banks with a \$100 application fee;
  - (5) The commissioner of banks shall, within 60 days of the receipt of the certificate, the information required by paragraph (2), the bylaws, and a commitment for insurance of accounts as required by section 52.24, subdivision 2, determine whether they comply with the provisions of this chapter, and whether or not the organization of the credit union in question would benefit its members, be economically feasible, and be consistent with the purposes of this chapter;
  - (6) Thereupon the commissioner of banks shall notify the applicants of his decision. If it is favorable, the commissioner shall issue a certificate of approval, attached to the duplicate certificate of organization, and return them with the duplicate

bylaws to the applicants. If it is unfavorable, the applicants may, within 60 days after the decision, appeal for a review in a court of competent jurisdiction;

(7) The applicants shall thereupon file the duplicate of the certificate of organization, with the certificate of approval attached thereto, with the secretary of state, who shall make a record of the certificate and return it, with a certificate of record attached thereto, to the commissioner of banks for permanent records; and

(8) Thereupon the applicants shall be a credit union incorporated in accordance with the provisions of this chapter.

In order to simplify the organization of credit unions, the commissioner of banks shall prepare approved forms of certificate of organization and bylaws, consistent with this chapter, which may be used by credit union incorporators for their guidance, and on written application of seven residents of the state, shall supply them without charge with a blank certificate of organization and a copy of the form of suggested bylaws.

Sec. 2. Minnesota Statutes 1983 Supplement, section 52.04, subdivision 1, is amended to read:

Subdivision 1. A credit union has the following powers:

(1) *To offer its members and other credit unions various classes of shares, share certificates, deposits, or deposit certificates;*

(2) *To receive the savings of its members either as payment on shares or as deposits, including the right to conduct Christmas clubs, vacation clubs, and other thrift organizations within its membership;*

((2)) (3) *To make loans to members for provident or productive purposes as provided in section 52.16;*

((3)) (4) *To make loans to a cooperative society or other organization having membership in the credit union;*

((4)) (5) *To deposit in state and national banks and trust companies authorized to receive deposits;*

((5)) (6) *To invest in any investment legal for savings banks or for trust funds in the state and, notwithstanding clause ((2)) (3), to invest in and make loans of unsecured days funds (federal funds or similar unsecured loans) to financial institutions insured by an agency of the federal government and a member of the Federal Reserve System or required to maintain reserves at the Federal Reserve;*

(6) (7) To borrow money as hereinafter indicated;

(7) (8) To adopt and use a common seal and alter the same at pleasure;

(8) (9) To make payments on shares of and deposit with any other credit union chartered by this or any other state or operating under the provisions of the federal credit union act, in amounts not exceeding in the aggregate 25 percent of its unimpaired assets. However, payments on shares of and deposit with credit unions chartered by other states are restricted to credit unions insured by the National Credit Union Administration. The restrictions imposed by this clause do not apply to share accounts and deposit accounts of the Minnesota corporate credit union in U.S. central credit union or to share accounts and deposit accounts of credit unions in the Minnesota corporate credit union;

(9) (10) To contract with any licensed insurance company or society to insure the lives of members to the extent of their share accounts, in whole or in part, and to pay all or a portion of the premium therefor;

(10) (11) To indemnify each director, officer, or committee member, or former director, officer, or committee member against all expenses, including attorney's fees but excluding amounts paid pursuant to a judgment or settlement agreement, reasonably incurred by him in connection with or arising out of any action, suit, or proceeding to which he is a party by reason of being or having been a director, officer, or committee member of the credit union, except with respect to matters as to which he is finally adjudged in the action, suit, or proceeding to be liable for negligence or misconduct in the performance of his duties. The indemnification is not exclusive of any other rights to which he may be entitled under any bylaw, agreement, vote of members, or otherwise;

(11) (12) Upon written authorization from a member, retained at the credit union, to make payments to third parties by withdrawals from the member's share or deposit accounts or through proceeds of loans made to such member, or by permitting the credit union to make those payments from the member's funds prior to deposit; to permit draft withdrawals from member accounts; however, this clause does not permit a credit union to establish demand deposits (checking accounts) for its members, but a credit union proposing to permit draft withdrawals shall notify the commissioner of banks, in the form prescribed, of its intent not less than 90 days prior to authorizing draft withdrawals. *The board of directors of a credit union may restrict one class of shares to the extent that it may not be redeemed, withdrawn, or transferred except upon termination of membership in the credit union;*



((12)) (13) To inform its members as to the availability of various group purchasing plans which are related to the promotion of thrift or the borrowing of money for provident and productive purposes by means of informational materials placed in the credit union's office, through its publications, or by direct mailings to members by the credit union;

((13)) (14) To facilitate its members' voluntary purchase of types of insurance incidental to promotion of thrift or the borrowing of money for provident and productive purposes including, but not limited to the following types of group or individual insurance: Fire, theft, automobile, life and temporary disability; to be the policy holder of a group insurance plan or a sub-group under a master policy plan and to disseminate information to its members concerning the insurance provided thereunder; to remit premiums to an insurer or the holder of a master policy on behalf of a credit union member, if the credit union obtains written authorization from the member for remittance by share or deposit withdrawals or through proceeds of loans made by the members, or by permitting the credit union to make the payments from the member's funds prior to deposit; and to accept from the insurer reimbursement for expenses incurred or in the case of credit life and accident and health insurance within the meaning of chapter 62B commissions for the handling of the insurance. The amount reimbursed or the commissions received may constitute the general income of the credit union. The directors, officers, committee members and employees of a credit union shall not profit on any insurance sale facilitated through the credit unions;

((14)) (15) To contract with another credit union to furnish services which either could otherwise perform. Contracted services under this clause are subject to regulation and examination by the commissioner of banks like other services;

((15)) (16) In furtherance of the twofold purpose of promoting thrift among its members and creating a source of credit for them at legitimate rates of interest for provident purposes, and not in limitation of the specific powers hereinbefore conferred, to have all the powers enumerated, authorized, and permitted by this chapter, and such other rights, privileges and powers incidental to, or necessary for, the accomplishment of the objectives and purposes of the credit union;

((16)) (17) To rent safe deposit boxes to its members if the credit union obtains adequate insurance or bonding coverage for losses which might result from the rental of safe deposit boxes;

((17)) (18) Notwithstanding the provisions of section 52.05, to accept deposits of public funds in an amount secured by insurance or other means pursuant to chapter 118;

((18)) (19) To accept and maintain treasury tax and loan accounts of the United States and to pledge collateral to secure the treasury tax or loan accounts, in accordance with the regulations of the Department of Treasury of the United States;

((19)) (20) To accept deposits pursuant to section 149.12, notwithstanding the provisions of section 52.05, if the deposits represent funding of prepaid funeral plans of members;

((20)) (21) To sell, in whole or in part, real estate secured loans provided that:

(a) The loan is secured by a first lien;

(b) The board of directors approves the sale;

(c) If the sale is partial, the agreement to sell a partial interest shall, at a minimum:

(i) Identify the loan or loans covered by the agreement;

(ii) Provide for the collection, processing, remittance of payments of principal and interest, taxes and insurance premiums and other charges or escrows, if any;

(iii) Define the responsibilities of each party in the event the loan becomes subject to collection, loss or foreclosure;

(iv) Provide that in the event of loss, each owner shall share in the loss in proportion to its interest in the loan or loans;

(v) Provide for the distribution of payments of principal to each owner proportionate to its interest in the loan or loans;

(vi) Provide for loan status reports;

(vii) State the terms and conditions under which the agreement may be terminated or modified; and

(d) The sale is without recourse or repurchase unless the agreement:

(i) Requires repurchase of a loan because of any breach of warranty or misrepresentation;

(ii) Allows the seller to repurchase at its discretion; or

(iii) Allows substitution of one loan for another;

((21)) (22) In addition to the sale of loans secured by a first lien on real estate, to sell, pledge, discount, or otherwise dispose of, in whole or in part, to any source, a loan or group of loans, other than a self-replenishing line of credit; provided, that within a calendar year beginning January 1 the total dollar value of loans sold, other than loans secured by real estate or insured by a state or federal agency, shall not exceed 25 percent of the dollar amount of all loans and participating interests in loans held by the credit union at the beginning of the calendar year, unless otherwise authorized in writing by the commissioner;

(23) *To designate the par value of the shares of the credit union by board resolution.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 52.05, is amended to read:

52.05 [MEMBERSHIP.]

Credit union membership consists of the incorporators and other persons as may be elected to membership and subscribe to at least one share *as designated by the board of directors*, pay the initial installment thereon and the entrance fee if any. In addition to a regularly qualified member, the spouse of a member, the blood or adoptive relatives of either of them and their spouses may be members. When an individual member of a credit union leaves the field of membership, the member, and all persons who became members by virtue of his or her membership may continue as members. The surviving spouse of a regularly qualified member, and the blood or adoptive relatives of either of them and their spouses may become members. Organizations, incorporated or otherwise, composed for the most part of the same general group as the credit union membership may be members. Credit unions chartered by this or any other state, or any federal credit union may be members. Credit union organizations shall be limited to groups, of both large and small membership, having a common bond of occupation, or association, or to residents within a well-defined neighborhood, community, or rural district.

Any 25 residents of the state representing a group may apply to the commissioner, advising him of the common bond of the group and its number of potential members, for a determination whether it is feasible for the group to form a credit union. Upon a determination that it is not feasible to organize because the number of potential members is too small, the applicants will be certified by the commissioner as eligible to petition for membership in an existing credit union geographically situated to adequately service the group. If the credit union so petitioned resolves to accept the group into membership, it shall follow the bylaw amendment and approval procedure set forth in section 52.02.

Sec. 4. Minnesota Statutes 1983 Supplement, section 52.09, subdivision 2, is amended to read:

Subd. 2. [PARTICULAR DUTIES.] The directors shall manage the affairs of the credit union and shall:

(1) act on applications for membership. This power may be delegated to a membership chairman who serves at the pleasure of the board of directors and is subject to its rules. An application must contain a certification signed by the membership chairman or a member of the board showing the basis of membership;

(2) determine interest rates on loans and on deposits. The interest period on deposits may be on a daily, monthly, quarterly, semi-annual or annual basis, and may be paid on all deposits whether or not the deposits have been withdrawn during the interest period. Interest may be computed on a daily basis. At the discretion of the board of directors, interest need not be paid on deposit accounts of less than \$10;

(3) fix the amount of the surety bond required of all officers and employees handling money;

(4) declare dividends and transmit to the members recommended amendments to the bylaws;

(5) fill vacancies in the board and in the credit committee until successors are chosen and qualify at the next annual meeting;

(6) limit the number of shares and deposits which may be owned by a member, not to exceed ten percent of the outstanding shares and deposits, or \$2,000, whichever is larger, and the maximum individual loan which can be made with and without security, including liability indirectly as a co-maker, guarantor, or endorser to ten percent of outstanding shares and deposits. The ten percent share and deposit limitation is not applicable to the Minnesota corporate credit union, or to credit unions insured by the National Credit Union Administration;

(7) have charge of investments including loans to members, unless a credit committee is established pursuant to section 52.08 or paragraph (13) of this subdivision;

(8) fix the salaries of the treasurer and other employees, which must be on a fixed monthly or annual basis, in dollars (not percentage);

(9) designate the (BANK OR BANKS) *depository institution* in which the funds of the credit union will be deposited;

(10) authorize the officers of the credit union to borrow money from any source, as provided in section 52.15;

(11) with the permission of the commissioner of banks, suspend any member of the credit committee or supervisory committee if it deems this action necessary to the proper conduct of the credit union, and call the members together to act on the suspension within a reasonable time after the suspension. The members at the meeting may, by majority vote of those present, sustain the suspension and remove the committee members permanently or may reinstate the committee members;

(12) provide financial assistance to the supervisory committee in carrying out its audit responsibilities; (AND)

(13) if the bylaws so provide and no credit committee has been elected pursuant to section 52.08, appoint a credit manager or a credit committee of not less than three members; *and*

(14) *to establish different classes of shares.*

Sec. 5. Minnesota Statutes 1982, section 52.12, is amended to read:

**52.12 [CAPITAL; ENTRANCE FEES; UNION TO HAVE LIEN.]**

The capital of a credit union (SHALL CONSIST OF THE PAYMENTS THAT HAVE BEEN MADE TO IT BY THE SEVERAL MEMBERS THEREOF ON) *includes shares, share certificates, any special class of shares, undivided earnings, reserves, and any entrance or membership fees.* The credit union shall have a lien on the shares and deposits of a member for any sum due to the credit union from the member, or for any loan endorsed by him. A credit union may, at its discretion, charge an entrance or annual membership fee (. ANY ENTRANCE FEE SHALL BE) *if authorized by the bylaws.*

Sec. 6. Minnesota Statutes 1982, section 52.17, subdivision 1, is amended to read:

Subdivision 1. [PROVISION FOR LOSSES.] Every credit union shall maintain a reserve fund, which shall be used as a reserve against (BAD) *losses on loans, losses on investments, and other losses,* and shall not be used to pay expenses of the credit union or otherwise distributed, except in case of liquidation. At the end of each monthly accounting period the gross income shall be determined. From this amount, there shall be set aside, as a statutory reserve against losses on loans, *losses on investments,* and against other losses as may be specified in rules prescribed by the commissioner of banks, sums in accordance with the following schedule:

(a) A credit union in operation for more than four years and having assets of \$500,000 or more shall set aside (1) ten percent of gross income until the statutory reserve shall equal four percent of the total of outstanding loans and risk assets, then (2) five percent of gross income until the statutory reserve shall equal six percent of the total of outstanding loans and risk assets;

(b) A credit union in operation less than four years or having assets of less than \$500,000 shall set aside (1) ten percent of gross income until the statutory reserve shall equal seven percent of the total of outstanding loans and risk assets, then (2) five percent of gross income until the statutory reserve shall equal ten percent of the total outstanding loans and risk assets.

Whenever the statutory reserve falls below the percent of the total of outstanding loans and risk assets required by clause (a) or (b), it shall be replenished in the manner provided by clause (a) or (b) by regular contributions to maintain the stated reserve goals. The commissioner may waive the requirements in paragraph (a), clause (2), and paragraph (b), clause (2), based on applications by credit unions demonstrating need and considering levels of total reserves and other factors bearing on the credit union's safety and soundness. The commissioner may also require special reserves to protect the interests of members either by rule or by an individual credit union in any special case.

The following shall not be included in computing outstanding loans and risk assets pursuant to clauses (a) and (b): loans to other credit unions; loans fully secured by a pledge of savings in the lending credit union equal to and maintained to at least the amount of the loan outstanding; loans which are purchased or acquired from liquidating or merging credit unions and guaranteed by an insurance corporation pursuant to section 52.24; loans insured or guaranteed by the United States or the state of Minnesota, any agency or instrumentality of the United States or the state of Minnesota, to the amount of the insurance or guarantee.

Section 7. Minnesota Statutes 1982, section 52.18, is amended to read:

#### 52.18 [DIVIDENDS.]

The directors of a credit union may, on a daily, monthly, quarterly, semi-annual, or annual basis as its board of directors may determine, declare and pay a dividend from net earnings or accumulated net undivided profits remaining after statutory reserve has been set aside, which dividend may be paid on all shares whether or not they have been withdrawn during the dividend period. Dividends may be computed on a daily basis. The board of directors may classify its share accounts according to char-

acter, amount and duration and declare dividends which may be at variable rates *with due regard to the conditions that pertain to each class of shares, or pay no dividend at all.* A dividend shall be uniform within a classification. At the discretion of the board of directors dividends may not be declared or paid on share accounts of less than \$10. Shares which become fully paid up during a dividend period shall be entitled to a proportional part of the dividend calculated from the first day of the month following the payment in full. For the purpose of this section, shares which become fully paid up by the fifteenth day of any month may be treated as being paid up from the first day of the month.

Sec. 8. Minnesota Statutes 1982, section 52.24, is amended by adding a subdivision to read:

*Subd. 3. [EXCLUSION.] Notwithstanding the provisions of subdivisions 1 and 2, any one share of a member, as designated in the bylaws of the credit union, may be excluded from the requirement for insurance. At the time a share so designated as an uninsured, nonwithdrawable membership share is subscribed to, the person subscribing will be provided the following separate notification printed in not less than the equivalent of 8-point type, 0.075 inch computer type, or elite-sized typewriter numerals, or shall be legibly handwritten:*

*'Membership shares are not insured by any state or federal agency and may be used to pay the expenses and losses of the credit union in the event all other available reserves have been depleted.'*"

Delete the title and insert:

"A bill for an act relating to financial institutions; credit unions; authorizing credit unions to offer various classes of shares, share certificates, deposits, or deposit certificates; authorizing the board of directors to establish different classes of shares and place certain restrictions on one class of shares; allowing credit unions to designate the par value of shares; specifying certain components of the capital of a credit union; adding investment losses to the category of contingencies against which credit unions are required to reserve; permitting the board to pay no dividend; permitting the exclusion of one share of a member from the requirement for insurance; amending Minnesota Statutes 1982, sections 52.12; 52.17, subdivision 1; 52.18; and 52.24, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 52.01; 52.04, subdivision 1; 52.05; and 52.09, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1485, A bill for an act relating to towns; providing for the election and term of office for the town clerk and treasurer; amending Minnesota Statutes 1982, section 367.03, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 5, after "*enactment*" insert "*and applies to officers elected on March 13, 1984*"

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

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1516, A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.091, subdivisions 2 and 3; and 429.101, subdivision 1.

Reported the same back with the following amendments:

Page 3, line 3, after "*buildings*" insert "*, but only upon a petition pursuant to section 429.031, subdivision 3*"

Page 3, after line 3, insert:

"Sec. 3. Minnesota Statutes 1982, section 429.031, subdivision 3, is amended to read:

Subd. 3. [PETITION BY ALL OWNERS.] Whenever all owners of real property abutting upon any street named as the location of any improvement shall petition the council to construct the improvement and to assess the entire cost against their property, the council may, without a public hearing, adopt a resolution determining such fact and ordering the improvement. The validity of the resolution shall not be questioned by any taxpayer or property owner or the municipality unless an action for that purpose is commenced within 30 days after adoption of the resolution as provided in section 429.036. Nothing herein prevents any property owner from questioning the



amount or validity of the special assessment against his property pursuant to section 429.081. *In the case of a petition for the installation of a fire protection system, the petition must contain or be accompanied by an undertaking satisfactory to the city by the petitioner that the petitioner will grant the municipality the necessary property interest in the building to permit the city to enter upon the property and the building to construct, maintain, and operate the fire protection system.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "subdivision 1;" insert "429.031, subdivision 3;"

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. 1587, A bill for an act relating to state government; ratifying state labor agreements and compensation plans.

Reported the same back with the following amendments:

Page 2, after line 36, insert:

"Sec. 2. [INTERIM APPROVAL.]

*After adjournment of the 1984 session of the legislature, the legislative commission on employee relations may give interim approval to any negotiated agreement, arbitration award, or compensation or salary plan submitted to it under other law. The commission shall submit the agreement, award, or plan to the entire legislature for ratification in the same manner and with the same effect as provided for agreements, awards, and plans submitted after adjournment of the legislature in an odd-numbered year.*

Sec. 3. [UNIT COMPOSITION SCHEDULE.]

*The unit composition schedule adopted by the legislative commission on employee relations on March 24, 1980, as*

*amended by the legislature and by action of the bureau of mediation services, is amended by deleting the job classification "heavy equipment service attendant" from unit 3, and inserting this job classification in unit 2."*

Page 3, line 2, delete "Section 1 is" and insert "Sections 1 to 3 are"

Re-number the remaining section

Amend the title as follows:

Page 1, line 3, after "plans" insert "; providing for interim approval of certain negotiated agreements and compensation plans; making a change in the state unit composition schedule"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1654, A bill for an act relating to animals; prohibiting the use of a decompression chamber to destroy an animal; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 343.

Reported the same back with the following amendments:

Page 1, line 13, delete "*the day following final enactment*" and insert "*June 1, 1985*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs reported on the following appointment which had been referred to the Committee by the Speaker:

#### ETHICAL PRACTICES BOARD

Jeff N. Bertram

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

Kostohryz moved that the report of the Committee on General Legislation and Veterans Affairs relating to the appointment of Jeff N. Bertram to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

#### CONFIRMATION

Kostohryz moved that the House, having advised, do now consent to and confirm the appointment of Jeff N. Bertram, Route No. 1, Box 88, Paynesville, Stearns County, effective June 6, 1983, for a term expiring on the first Monday in January, 1987. The motion prevailed and the appointment of Jeff N. Bertram was confirmed by the House.

Kostohryz from the Committee on General Legislation and Veterans Affairs reported on the following appointment which had been referred to the Committee by the Speaker:

#### ETHICAL PRACTICES BOARD

Harmon T. Ogdahl

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

Kostohryz moved that the report of the Committee on General Legislation and Veterans Affairs relating to the appointment of Harmon T. Ogdahl to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

#### CONFIRMATION

Kostohryz moved that the House, having advised, do now consent to and confirm the appointment of Harmon T. Ogdahl, 5026 Morgan Avenue South, Minneapolis, Hennepin County, effective February 15, 1984, for a term expiring on the first Monday in January, 1988. The motion prevailed and the appointment of Harmon T. Ogdahl was confirmed by the House.

Kostohryz from the Committee on General Legislation and Veterans Affairs reported on the following appointment which had been referred to the Committee by the Speaker:

#### ETHICAL PRACTICES BOARD

Judith G. Schotzko

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

Kostohryz moved that the report of the Committee on General Legislation and Veterans Affairs relating to the appointment of Judith G. Schotzko to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

#### CONFIRMATION

Kostohryz moved that the House, having advised, do now consent to and confirm the appointment of Judith G. Schotzko, Rural Route No. 1, Blue Earth, Faribault County, effective June 6, 1983, for a term expiring on the first Monday in January, 1987. The motion prevailed and the appointment of Judith G. Schotzko was confirmed by the House.

Kostohryz from the Committee on General Legislation and Veterans Affairs reported on the following appointment which had been referred to the Committee by the Speaker:

#### ETHICAL PRACTICES BOARD

Mary Smith

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

Kostohryz moved that the report of the Committee on General Legislation and Veterans Affairs relating to the appointment of Mary Smith to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

#### CONFIRMATION

Kostohryz moved that the House, having advised, do now consent to and confirm the appointment of Mary Smith, 515 North Ferndale, Wayzata, Hennepin County, effective January 3, 1984, for a term expiring on the first Monday in January, 1988. The motion prevailed and the appointment of Mary Smith was confirmed by the House.

#### SECOND READING OF HOUSE BILLS

H. F. Nos. 950, 1377, 1456, 1481, 1485, 1516, 1587 and 1654 were read for the second time.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House Files were introduced :

Vellenga, Staten, Graba, Ogren and Bishop introduced :

H. F. No. 1798, A bill for an act relating to housing; creating a demonstration program for temporary housing in the department of economic security; limiting the scope of the temporary housing program in the housing finance agency; appropriating money; amending Minnesota Statutes 1982, section 462A.05, subdivision 20; proposing new law coded in Minnesota Statutes, chapter 268.

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

Zaffke introduced :

H. F. No. 1799, A bill for an act relating to Hubbard County; authorizing a special levy for park and recreation purposes.

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

Heap, Segal, Begich and Findlay introduced :

H. F. No. 1800, A resolution memorializing Congress and the President to continue their efforts to halt the persecution of the Baha'i minority in Iran.

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

Jensen; Kalis; Coleman; Rodriguez, F., and Blatz introduced :

H. F. No. 1801, A bill for an act relating to transportation; defining terms; regulating carriers; providing for the classification of explosives; amending Minnesota Statutes 1982, sections 221.011, subdivision 13; 221.296, subdivision 6; 299F.-

19, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 221.011, subdivisions 3 and 21; 221.021; 221.025; 221.031, subdivisions 1, 2, 3, 5, and 6; 221.071, subdivision 1; 221.121, subdivisions 1 and 5; 221.185, subdivisions 1, 2, 3, 4, 5, and by adding subdivisions; 221.221, subdivision 4; 221.81, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, section 169.76; Minnesota Statutes 1983 Supplement, sections 221.031, subdivision 4; and 221.185, subdivisions 6, 7, and 8.

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

Gutknecht introduced:

H. F. No. 1802, A bill for an act relating to game and fish; prohibiting the taking of northern pike or pickerel by spearing; amending Minnesota Statutes 1982, sections 97.48, subdivision 1; and 101.41, subdivision 4; and Minnesota Statutes 1983 Supplement, section 98.46, subdivision 5.

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

Welle and DenOuden introduced:

H. F. No. 1803, A bill for an act relating to Kandiyohi county; permitting the county to use city outlet payments to reduce assessments for benefits from county ditches 10 and 46.

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

Redalen, Wenzel, Valan and Schoenfeld introduced:

H. F. No. 1804, A bill for an act relating to appropriations; appropriating money to the soil and water conservation board for soil conservation cost sharing and public assistance; increasing the complement of the board.

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

Elioff introduced:

H. F. No. 1805, A bill for an act relating to public welfare; providing for reimbursement under the general assistance medical care program for medical supplies for diabetics; amending Minnesota Statutes 1983 Supplement, section 256D.03, subdivision 4.

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

Elioff introduced:

H. F. No. 1806, A bill for an act relating to public welfare; amending the reporting of maltreatment of minors act; clarifying the roles of law enforcement and local welfare agencies; clarifying language; amending Minnesota Statutes 1982, section 626.556, subdivision 11; amending Minnesota Statutes 1983 Supplement, section 626.556, subdivisions 1, 2, 4, and 10.

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

Waltman, Johnson and Pauly introduced:

H. F. No. 1807, A bill for an act relating to taxation; income; repealing the suspension of inflation adjustments; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2f.

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

Johnson and Anderson, R., introduced:

H. F. No. 1808, A bill for an act relating to public safety; authorizing a county referendum on withdrawing from the 911 emergency phone system; proposing new law coded in Minnesota Statutes, chapter 403.

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

Wynia, Elioff, Scheid, Segal and Rodosovich introduced :

H. F. No. 1809, A bill for an act relating to crimes ; authorizing aggregation of thefts in medicaid fraud cases ; extending the statute of limitations in medicaid fraud cases ; amending Minnesota Statutes 1982, section 628.26 ; Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3.

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

Ogren, Kalis, Graba, Uphus and Redalen introduced :

H. F. No. 1810, A bill for an act relating to game and fish ; authorizing resident owners or lessees to take one deer without a license ; amending Minnesota Statutes 1982, section 98.47, subdivision 10.

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

Otis, Piper, Jacobs and Krueger introduced :

H. F. No. 1811, A bill for an act relating to public utilities ; telephone companies ; requiring public utility commission review and approval of transactions involving a transfer of assets between a regulated utility and a corporation or person having an affiliated interest in the utility ; amending Minnesota Statutes 1982, section 216B.48, subdivisions 1, 3, and by adding a subdivision ; proposing new law coded in Minnesota Statutes, chapters 216B and 237.

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

Carlson, L. ; Clark, K. ; McEachern and Sviggum introduced :

H. F. No. 1812, A bill for an act relating to health ; health maintenance organizations ; providing for disclosure of the limitations and exclusions of services ; amending Minnesota Statutes 1982, sections 62D.05, subdivision 2 ; 62D.07, subdivision 3 ; and 62D.12, subdivision 1.

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



Tunheim and Peterson introduced:

H. F. No. 1813, A bill for an act relating to hospital districts; providing for loans to students in health-related educational programs; amending Minnesota Statutes 1982, section 447.331.

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

Osthoff and Scheid introduced:

H. F. No. 1814, A bill for an act relating to taxation; providing for the determination of EARC adjusted assessed value; clarifying certain property tax credit provisions; simplifying iron ore valuation hearing requirements; modifying assessment procedures of certain class 3 property; altering the process for determining flexible homestead brackets; allowing for the rounding of amounts of special assessments on tax statements; changing the date for the issuance of warrants for delinquent personal property taxes; providing for additional administrative procedures for cigarette tax collection; requiring annual payment of occupation taxes; changing payment method for production taxes; adopting certain procedures relating to liquor tax collections; authorizing county treasurers to charge for dishonored checks; amending Minnesota Statutes 1982, sections 124.2131; 273.1104, subdivision 2; 277.03; 298.09, subdivision 2; 298.27; 298.282, subdivision 3; 340.601; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 273.13, subdivision 21; 273.1311; 276.04; and 298.28, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 297; 340; and 385; repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048.

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

Osthoff, Scheid and Tomlinson introduced:

H. F. No. 1815, A bill for an act relating to taxation; property; eliminating obsolete language; making technical changes; and repealing obsolete provisions; amending Minnesota Statutes 1982, sections 272.02, subdivisions 2, 3, and 5; 272.20; 272.21; 272.32; 272.37; 272.64; 273.05, subdivision 1; 273.061, subdivision 2; 273.08; 273.1105, subdivision 5; 273.111, subdivisions 8 and 11; 273.115, subdivision 5; 273.116, subdivisions 1 and 5;

273.13, subdivisions 7a, 15a, and 19; 273.135, subdivision 3; 273.-1391, subdivision 3; 273.22; 275.02; 275.49; 275.51, subdivisions 1 and 4; 360.037, subdivision 2; 373.31, subdivision 2; 375.167, subdivision 1; 473F.02, subdivision 3; 473H.10, subdivision 3; 475.53, subdivisions 1, 3, and 5; Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; 273.115, subdivision 1; 273.13, subdivisions 6, 7, 7d, and 14a; 273.138, subdivision 6; 507.235, subdivision 2; repealing Minnesota Statutes 1982, sections 270.90; 272.34; 272.35; 272.36; 272.61; 272.62; 272.63; 272.66; 273.04; 273.111, subdivision 8a; 273.13, subdivision 14; 273.27; 273.56; 275.09; 275.091; 275.161; 275.23; 275.44; 275.45; 275.46; 275.47; 368.86; and 382.19.

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

Anderson, B., introduced:

H. F. No. 1816, A bill for an act relating to public welfare; instructing the revisor to update language concerning persons with developmental disabilities.

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

Cohen, Sieben and Rice introduced:

H. F. No. 1817, A bill for an act relating to courts; establishing a unified trial court with two divisions; abolishing county, county municipal, and conciliation courts; conferring certain powers and duties on the unified trial court; transferring pending cases, records, functions, and personnel of the abolished courts to the district court; providing for election of judges and selection of a chief and assistant chief judge for each judicial district; amending Minnesota Statutes 1983 Supplement, sections 204B.06, subdivisions 4 and 6; 204B.11, subdivision 1; 204B.34, subdivision 3; 204B.36, subdivision 4; 204D.02, subdivision 1; and 204D.08, subdivision 6; and 487.191; proposing new law coded in Minnesota Statutes, chapters 484 and 490; repealing Minnesota Statutes 1982, sections 484.01; 484.011; and 484.69.

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

Rose and Anderson, R., introduced:

H. F. No. 1818, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Segal, Scheid, Elioff and Peterson introduced:

H. F. No. 1819, A bill for an act relating to health; requiring that hearing aid sellers give buyers a right to cancel their purchase; amending Minnesota Statutes 1982, section 145.43, by adding a subdivision; repealing Minnesota Statutes 1982, sections 145.43, subdivision 2; and 145.44.

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

Quinn, Skoglund, Heinritz, Brinkman and Halberg introduced:

H. F. No. 1820, A bill for an act relating to commerce; requiring insurance for motor vehicle service contracts; requiring motor vehicle service contract providers to file certain forms; prohibiting the issuance of motor vehicle service contracts in certain circumstances; authorizing the commissioner of commerce to adopt rules; proposing new law coded in Minnesota Statutes, chapter 65B.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Kelly introduced:

H. F. No. 1821, A bill for an act relating to juveniles; transferring jurisdiction for juvenile traffic offenses to municipal and county court; amending Minnesota Statutes 1982, section 260.193, subdivisions 1, 2, 3, 4, 5, 7, and 8; and Minnesota Statutes 1983 Supplement, section 260.193, subdivision 6.

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

Carlson, D.; Wenzel; Kalis and Reif introduced:

H. F. No. 1822, A bill for an act relating to veterinarians; permitting certain University of Minnesota employees to perform certain duties; amending Minnesota Statutes 1982, section 156.12, subdivision 2.

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

Kelly introduced:

H. F. No. 1823, A bill for an act relating to juveniles; providing for an enhanced penalty for adults convicted of driving while under the influence of alcohol or a controlled substance when they have been adjudicated for the same offense as juveniles; amending Minnesota Statutes 1983 Supplement, section 169.121, subdivision 3.

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

Neuenschwander; Johnson; Rodriguez, C.; Jensen and Battaglia introduced:

H. F. No. 1824, A bill for an act relating to transportation; allowing vending machines in rest areas, tourist information centers, and weigh stations; providing for installation of drain tile along or across highways; delineating debt collection authority of the department of transportation; authorizing road authorities to assist each other; reducing a fee; authorizing the commissioner to spend money to acquire or condemn certain outdoor advertising devices; amending Minnesota Statutes 1982, sections 160.08, subdivision 7; 160.20, subdivision 3, and by adding a subdivision; 160.28; 161.20, subdivision 4; 161.39, subdivisions 1, 5, and 6; and 173.13, subdivision 7; and Laws 1983, chapter 293, section 2, subdivision 4.

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

Levi, Olsen, Waltman and Hokr introduced:

H. F. No. 1825, A bill for an act relating to education; creating the initiatives for excellence grant program; appropriating money; proposing new law coded in Minnesota Statutes, chapter 124.

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

Cohen introduced:

H. F. No. 1826, A bill for an act relating to education; directing the designation of independent school district number 625, Saint Paul, as an additional technology demonstration site; appropriating money.

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

Otis introduced:

H. F. No. 1827, A bill for an act relating to education; school-based management; establishing a pilot program; authorizing the council on quality education to award grants for six school-based management pilot sites; appropriating money; proposing new law coded in chapter 129B.

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

Vanasek and Begich introduced:

H. F. No. 1828, A bill for an act relating to local government; setting authority to regulate firearms and related matters; amending Minnesota Statutes 1982, sections 624.7132, subdivision 16; and 624.717; proposing new law coded in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1982, section 624.718.

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

Schreiber; Clark, J.; Gutknecht; Kelly and Schafer introduced:

H. F. No. 1829, A bill for an act relating to juvenile alcohol offenses; requiring driver license revocation if a juvenile attempts to purchase alcohol or drives after drinking; amending Minnesota Statutes 1982, sections 169.123, subdivisions 4 and 5a; 260.195, subdivision 3; and Minnesota Statutes 1983 Supplement, section 169.123, subdivisions 2 and 6.

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

Welch, Reif, Welker and St. Onge introduced:

H. F. No. 1830, A bill for an act relating to water well contractors; licensing and regulating use of vertical heat exchangers; amending Minnesota Statutes 1982, section 156A.02, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 156A.11.

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

Kalis, Mann, Jensen and Anderson, G., introduced:

H. F. No. 1831, A bill for an act relating to transportation; increasing special permit fees for vehicles exceeding weight limitations; amending Minnesota Statutes 1983 Supplement, section 169.86, subdivision 5.

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

Hoffman, Price, Peterson, Shea and McEachern introduced:

H. F. No. 1832, A bill for an act relating to education; declaring legislative policy on class size; encouraging a limit on the number of pupils in each classroom; proposing new law coded in Minnesota Statutes, chapter 126.

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

Simoneau, Sarna and Cohen introduced:

H. F. No. 1833, A bill for an act relating to taxation; sales and use; providing an exemption for capital equipment; amending Minnesota Statutes 1982, section 297A.01, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

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

Ogren introduced:

H. F. No. 1834, A bill for an act relating to taxation; property; providing for homestead treatment of certain property used for both homestead and other purposes; amending Minnesota Statutes 1983 Supplement, section 273.13, subdivision 21.

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

Blatz; Jensen; Rodriguez, C.; Mann and Pauly introduced:

H. F. No. 1835, A bill for an act relating to transportation; allowing prepayment of state contractual obligations to governmental subdivisions under agreements for the construction, improvement, or maintenance of trunk highways; amending Minnesota Statutes 1982, section 16A.41, subdivision 1, and by adding a subdivision.

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

Olsen, Piepho, McKasy and Hokr introduced:

H. F. No. 1836, A bill for an act relating to forcible entry and unlawful detainer; providing for the assessment of punitive damages and attorney's fees against a landlord for bad faith commencement of an action for recovery of possession; proposing new law coded in Minnesota Statutes, chapter 566.

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

Olsen, Piepho, McKasy, Hokr and Rose introduced:

H. F. No. 1837, A bill for an act relating to landlords and tenants; providing for recovery by the tenant from the landlord of damages and attorney's fees for unlawful ouster or exclusion; proposing new law coded in Minnesota Statutes, chapter 504.

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

Ogren, Minne and Jacobs introduced :

H. F. No. 1838, A bill for an act relating to education; inspection of school buildings by state fire marshal; amending Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11b; proposing new law coded in Minnesota Statutes, chapter 299F.

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

Battaglia, Munger and Ellingson introduced :

H. F. No. 1839, A bill for an act relating to St. Louis County; permitting the county to establish an emergency jobs program.

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

Rose and Piper introduced :

H. F. No. 1840, A bill for an act relating to natural resources; imposing a penalty on the owner or keeper of a dog that kills or harasses a domestic animal; authorizing peace officers to kill dogs endangering big game; prohibiting damages against a peace officer or conservation officer who kills a dog; amending Minnesota Statutes 1982, sections 100.29, subdivision 19; and 347.01.

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

Scheid, Price, Peterson, Knuth and Knickerbocker introduced :

H. F. No. 1841, A bill for an act relating to commerce; regulating going out of business sales and certain other sales; establishing licensing and bonding requirements; prescribing a penalty; providing a remedy; proposing new law coded in Minnesota Statutes, chapter 325G.

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

Riveness, Segal, Marsh, Ogren and Peterson introduced :

H. F. No. 1842, A bill for an act relating to economic development; creating the Minnesota Manufacturing Growth Council; appropriating money; proposing new law coded in Minnesota Statutes, chapter 116J.

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



Rodosovich, Sarna, Marsh, Krueger and Wynia introduced :

H. F. No. 1843, A bill for an act relating to commerce; clarifying the right of indirect purchasers to sue for damages under the Minnesota Antitrust Law of 1971; amending Minnesota Statutes 1982, section 325D.57.

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

Ogren, Minne and Ellingson introduced :

H. F. No. 1844, A bill for an act relating to nonprofit corporations; providing for the recording of board votes; amending Minnesota Statutes 1982, section 317.20, by adding a subdivision.

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

Kalis, Neuenschwander, Dempsey and Dimler introduced :

H. F. No. 1845, A bill for an act relating to motor vehicles; defining terms; increasing certain gross vehicle weight tax to comply with international registration plan; authorizing repair and servicing permit for commercial zone trucks; providing time limitation for applying for quarterly registration of farm trucks; reducing 2,000-pound limitation to three-fourths ton for motor vehicles in certain situations; increasing certain fees; clarifying display and use of drive-away, in-transit plates; clarifying requirement to submit forms to registrar of motor vehicles; prohibiting transfer of certain plates; providing for transfer of amateur radio and citizen band plates; prescribing uniform fee for issuance of duplicate plates except for exempt vehicles; increasing minimum tax requirements for qualification for installment payments and prescribing a fee; requiring a bond in the amount of tax to be paid in installments; increasing penalty fees for late installment payments; clarifying certain duties of deputy registrars relating to reports and deposits of taxes and fees; requiring payment of one month's registration tax before issuance of certificate of title; amending Minnesota Statutes 1982, sections 168.011, subdivisions 9, 13, 28, and 29; 168.013, subdivision 16; 168.018; 168.041, subdivision 6; 168.053, subdivision 1; 168.10, subdivisions 1a, 1b, 1c, and 1d; 168.101, subdivision 2; 168.12, subdivisions 1 and 2b; 168.29; 168.31, subdivision 4; 168.33, subdivision 2; 168A.08; and 169.01, subdivisions 10, 11, and 50; Minnesota Statutes 1983 Supplement, sections 168.013, subdivision 1e; 168.021, subdivision 1; 168.12, subdivision 2; and 169.73.

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

Neuenschwander; Carlson, D.; Begich; Elioff and Battaglia introduced:

H. F. No. 1846, A bill for an act relating to taxation; authorizing use of proceeds of the taconite occupation tax for economic development grants and loans to local units of government; amending Minnesota Statutes 1982, section 298.17.

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

Neuenschwander, Bergstrom, Solberg, Beard and Battaglia introduced:

H. F. No. 1847, A bill for an act relating to veterans; changing the eligibility for veteran's preference for civil service employment; amending Minnesota Statutes 1982, section 43A.11, subdivision 1.

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

Welch, Swanson, Clawson, Blatz and Kvam introduced:

H. F. No. 1848, A bill for an act relating to public welfare; authorizing the alcohol and drug abuse section of the department of public welfare to collect certain information; establishing an American Indian advisory council relating to chemical dependency policies; clarifying the evaluation functions of the commissioner of public welfare with respect to chemical dependency policies; amending Minnesota Statutes 1982, sections 254A.03; 254A.05, subdivision 1; 254A.07; 254A.16, subdivisions 1 and 2; and proposing new law coded in Minnesota Statutes, chapter 254A.

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

Munger, Kahn, Knuth, Shaver and Voss introduced:

H. F. No. 1849, A bill for an act relating to natural resources; providing for peatland designation; creating peatland protection areas in the outdoor recreation system; providing for acquisition of certain peatlands from the bureau of land

management; amending Minnesota Statutes 1982, sections 86A.04; 86A.05, by adding a subdivision; 86A.08, subdivision 1; and 86A.09, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 85.

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

Bishop, Ellingson and Cohen introduced:

H. F. No. 1850, A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality; amending Minnesota Statutes 1982, sections 297A.-25, subdivision 4; and 609.341, subdivision 11; repealing Minnesota Statutes 1982, section 238.07.

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

Cohen; Simoneau; Clark, J.; Greenfield and Ogren introduced:

H. F. No. 1851, A bill for an act relating to occupations and professions; changing the name of the private detective and protective agent services board; clarifying its powers and duties; authorizing licensing of alarm system businesses; specifying qualifications; amending Minnesota Statutes 1982, sections 214.01, subdivision 3; 326.32, subdivisions 2, 8, 9, and 10, and by adding subdivisions; 326.33, subdivision 1, and by adding subdivisions; 326.331; 326.332, subdivision 1; 326.333; 326.334, subdivisions 1 and 2, and by adding a subdivision; 326.336, subdivision 1, and by adding subdivisions; 326.337, subdivisions 1, 2, and 3; and Minnesota Statutes 1983 Supplement, section 214.04, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 326; and repealing Minnesota Statutes 1982, sections 299C.01, subdivision 3; 326.32, subdivisions 3, 4, 5, 6, 7, and 11; and 326.33, subdivisions 2, 3, 4, and 5.

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

Segal, Swanson, Wynia, Reif and Clawson introduced:

H. F. No. 1852, A bill for an act relating to state departments and agencies; providing for a study of expanding long-term care ombudsman responsibilities to include community-based care for persons 65 years of age or older.

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

Clawson introduced:

H. F. No. 1853, A bill for an act relating to public welfare; providing for rulemaking authority for the Community Social Services Act; amending Minnesota Statutes 1982, section 256E.05, subdivision 1.

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

Segal, Sarna, Heap, Ogren and Coleman introduced:

H. F. No. 1854, A bill for an act relating to occupations and professions; providing licensing requirements for closing agents; providing penalties; proposing new law coded in Minnesota Statutes, chapter 82.

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

Segal, Swanson, Wynia, McEachern and Coleman introduced:

H. F. No. 1855, A bill for an act relating to health; requiring the commissioner to study and report to the legislature on wellness promotional efforts; amending Minnesota Statutes 1982, section 144.05, by adding a subdivision.

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

Knuth, Quinn, Riveness, Price and Knickerbocker introduced:

H. F. No. 1856, A bill for an act relating to charities; requiring disclosure from professional fund raisers; amending Minnesota Statutes 1982, section 309.556.

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

Gutknecht, Knuth, Hokr, Quinn and Johnson introduced:

H. F. No. 1857, A bill for an act relating to veterans; clarifying certain veterans benefit definitions to include veterans who have served in Grenada or with the peacekeeping forces in Lebanon; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; 124.565, subdivision 7; 198.01; and 462A.05, subdivision 19.

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

Welker, Frerichs, Schoenfeld and Erickson introduced:

H. F. No. 1858, A bill for an act relating to local government; providing that orderly annexations be subject to elections under certain circumstances; amending Minnesota Statutes 1982, section 414.0325, subdivision 3.

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

Riveness, Quinn, Norton, Welle and Knickerbocker introduced:

H. F. No. 1859, A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy nonrenewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Blatz, Gutknecht and Greenfield introduced:

H. F. No. 1860, A bill for an act relating to horse racing; providing for the distribution of proceeds from the Minnesota Breeders Fund; amending Minnesota Statutes 1983 Supplement, section 240.18.

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

Blatz, Brinkman, Skoglund and Haukoos introduced:

H. F. No. 1861, A bill for an act relating to insurance; health and accident; providing for the designation of primary coverage in cases where more than one policy provides 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.

Battaglia, Munger and Ellingson introduced:

H. F. No. 1862, A bill for an act relating to St. Louis County; establishing a land investment office; appropriating money.

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

Staten introduced:

H. F. No. 1863, A bill for an act relating to affirmative action; providing for affirmative action review in state government; providing penalties; proposing new law coded in Minnesota Statutes, chapter 43A.

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

Battaglia and Begich introduced:

H. F. No. 1864, A bill for an act relating to intoxicating liquor; authorizing the town of Greenwood in St. Louis County to issue one off-sale liquor license.

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

Battaglia; Carlson, D.; Graba and Munger introduced:

H. F. No. 1865, A bill for an act relating to natural resources; making changes in certain forestry laws; amending Minnesota Statutes 1982, sections 88.065; 90.031, subdivision 3; 90.041, subdivision 2; 90.251, subdivision 1; and 90.301, by adding a subdivision.

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

Price, Hoffman, Beard, Krueger and Riveness introduced:

H. F. No. 1866, A bill for an act relating to local government; providing for supplemental local government aid payments to certain cities and towns; appropriating money.

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

Gutknecht, Schafer, Redalen, Uphus and Shaver introduced:

H. F. No. 1867, A resolution memorializing the President and Congress of the United States and the Secretary of Labor to rescind the ban on industrial homework.

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

Gutknecht, Schafer, Welker, Jennings and DenOuden introduced:

H. F. No. 1868, A bill for an act relating to labor; eliminating the fair share fee; providing for the nonrepresentation of certain employees; amending Minnesota Statutes 1982, sections 179.65, subdivision 2; 179.71, subdivision 2; and 179.72, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 179.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

#### MOTION TO TAKE FROM THE TABLE

Jennings moved that his motion suspending Article IV, Section 19, of the Constitution of the state of Minnesota and relating to H. F. No. 1591 which was laid on the table on Tuesday, March 6, 1984 be now taken from the table.

A roll call was requested and properly seconded.

#### POINT OF ORDER

Vanasek raised a point of order pursuant to section 180 of "Mason's Manual of Legislative Procedure" that the Jennings motion to take from the table was out of order. The Speaker ruled the point of order well taken and the Jennings motion out of order.

## HOUSE ADVISORIES

The following House Advisory was introduced:

Simoneau introduced:

H. A. No. 51, A proposal for a reinsurance fund to cover large claims arising under the Superfund Act.

The advisory was referred to the Committee on Environment and Natural Resources.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 14, A senate concurrent resolution relating to Joint Rules; deadlines in even-numbered years; amending Joint Rule 2.03.

PATRICK E. FLAHAVEN, Secretary of the Senate

## SUSPENSION OF RULES

Eken moved that the rules be so far suspended that Senate Concurrent Resolution No. 14 be now considered and be placed upon its adoption. The motion prevailed.

## SENATE CONCURRENT RESOLUTION NO. 14

A Senate concurrent resolution relating to Joint Rules; deadlines in even-numbered years; amending Joint Rule 2.03.

*Be It Resolved* by the Senate of the State of Minnesota, the House of Representatives concurring therein:

That Joint Rule 2.03 be amended to read:

Rule 2.03. (a) In odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after the sixth Friday prior to the last Friday on which the Legislature can meet in regular session [April 8, 1983], and



committee reports on bills originating in the other house favorably acted upon by a committee after the Monday before the third Friday prior to the last Friday on which the Legislature can meet in regular session [April 25, 1983] shall be referred in the Senate to the Committee on Rules and Administration, and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Referral is not required when a committee after the earlier date and by the later date set by this paragraph acts on a bill that is a companion to a bill that has met the earlier deadline in the other house. This rule does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes.

Conference Committees on the major appropriation bills specified in Joint Rule 2.02 shall have their reports on the members' desks by the last Thursday on which the Legislature can meet in regular session [May 19, 1983]. After the last Friday on which the Legislature can meet in regular session [May 20, 1983], neither house shall act on bills other than those contained in:

- (1) Reports of Conference Committees;
- (2) Messages from the other house;
- (3) Reports of the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House; or
- (4) Messages from the Governor.

(b) In even-numbered years the legislature shall establish by concurrent resolution deadlines (COMPARABLE TO THOSE SET BY PARAGRAPH (A)) based on the date intended to be the date of adjournment sine die.

Eken moved that Senate Concurrent Resolution No. 14 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 14 was adopted.

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 15, A Concurrent Resolution providing session deadlines for the legislature pursuant to Joint Rule 2.03.

PATRICK E. FLAHAVER, Secretary of the Senate

## SUSPENSION OF RULES

Eken moved that the rules be so far suspended that Senate Concurrent Resolution No. 15 be now considered and be placed upon its adoption. The motion prevailed.

## SENATE CONCURRENT RESOLUTION NO. 15

A Senate concurrent resolution providing session deadlines for the legislature pursuant to Joint Rule 2.03.

*Whereas*, Joint Rule 2.03, paragraph (b) requires the legislature to establish session deadline dates for even-numbered year sessions; now, therefore,

*Be It Resolved* by the Senate of the State of Minnesota, the House of Representatives concurring therein, that committee reports on bills favorably acted upon by a committee in the house of origin after Friday, March 30, 1984, and committee reports on bills originating in the other house favorably acted upon by a committee after Monday, April 9, 1984, shall be referred in the Senate to the Committee on Rules and Administration and in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Referral is not required when a committee, after the earlier date and by the later date set by this paragraph, acts on a bill that is a companion to a bill that has met the earlier deadline in the other house. This requirement does not apply to the Senate Committees on Finance and on Taxes and Tax Laws, and the House Committees on Appropriations and on Taxes.

After Monday, April 16, 1984, neither house shall act on bills other than those contained in:

- (1) Reports of conference committees;
- (2) Messages from the other house;
- (3) Reports of the Committee on Rules and Administration in the Senate or the Committee on Rules and Legislative Administration in the House; or
- (4) Messages from the governor.

Eken moved that Senate Concurrent Resolution No. 15 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 15 was adopted.

## CALENDAR

H. F. No. 1156, A bill for an act relating to the revisor of statutes; recodifying the laws governing the office of the revisor of statutes and the publication of Minnesota Statutes; amending Minnesota Statutes 1982, sections 15.18; 16.02, subdivision 24; 60B.01, subdivision 1; 336.1-101; 480.057; and 524.1-101; proposing new law coded in Minnesota Statutes, chapter 645; proposing new law coded as Minnesota Statutes, chapter 3C; repealing Minnesota Statutes 1982, sections 645.03; 645.04; 645.05; and 645.06; and chapters 482 and 648.

The bill was read for the third 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:

Anderson, B.	Elioff	Knuth	Otis	Skoglund
Anderson, G.	Ellingson	Kostohryz	Pauly	Solberg
Anderson, R.	Erickson	Krueger	Peterson	Sparby
Battaglia	Evans	Kvam	Piepho	Stadum
Beard	Findlay	Larsen	Piper	Staten
Begich	Fjoslien	Long	Price	Sviggum
Bennett	Forsythe	Ludeman	Quinn	Swanson
Bergstrom	Frerichs	Mann	Quist	Thiede
Bishop	Greenfield	Marsh	Redalen	Tomlinson
Blatz	Gruenes	McDonald	Reif	Tunheim
Boo	Gutknecht	McEachern	Rice	Uphus
Brandl	Halberg	McKasy	Rodosovich	Valan
Brinkman	Haukoos	Metzen	Rodriguez, C.	Valento
Burger	Heinitz	Minne	Rodriguez, F.	Vanasek
Carlson, D.	Himle	Munger	Rose	Voss
Carlson, L.	Hoffman	Murphy	St. Onge	Waltman
Clark, J.	Hokr	Nelson, D.	Sarna	Welch
Clark, K.	Jacobs	Nelson, K.	Schafer	Welker
Clawson	Jennings	Neuenschwander	Schoenfeld	Welle
Cohen	Jensen	Norton	Schreiber	Wenzel
Coleman	Johnson	O'Connor	Seaberg	Wigley
Dempsey	Kahn	Olsen	Segal	Wynia
DenOuden	Kalis	Omamm	Shaver	Zaffke
Dimler	Kelly	Onnen	Shea	Speaker Sieben
Eken	Knickerbocker	Osthoff	Sherman	

The bill was passed and its title agreed to.

H. F. No. 1304, A bill for an act relating to crimes; providing a penalty for theft of a firearm; providing a penalty for possession of a stolen firearm; amending Minnesota Statutes 1982, section 609.53, subdivision 1; and Minnesota Statutes 1983 Supplement, section 609.52, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Knuth	Otis	Skoglund
Anderson, G.	Ellingson	Kostohryz	Pauly	Solberg
Anderson, R.	Erickson	Krueger	Peterson	Sparby
Battaglia	Evans	Kvam	Piepho	Stadum
Beard	Findlay	Larsen	Piper	Staten
Begich	Fjoslien	Long	Price	Sviggum
Bennett	Forsythe	Ludeman	Quinn	Swanson
Bergstrom	Frerichs	Mann	Quist	Thiede
Bishop	Greenfield	Marsh	Redalen	Tomlinson
Blatz	Gruenes	McDonald	Reif	Tunheim
Boo	Gutknecht	McEachern	Rodovich	Uphus
Brandl	Halberg	McKasy	Rodriguez, C.	Valan
Brinkman	Haukoos	Metzen	Rodriguez, F.	Valento
Burger	Heinitz	Minne	Rose	Vanasek
Carlson, D.	Himle	Munger	St. Onge	Voss
Carlson, L.	Hoffman	Murphy	Sarna	Waltman
Clark, J.	Hokr	Nelson, D.	Schafer	Welch
Clark, K.	Jacobs	Nelson, K.	Scheid	Welker
Clawson	Jennings	Neuenschwander	Schoenfeld	Welle
Cohen	Jensen	Norton	Schreiber	Wenzel
Coleman	Johnson	O'Connor	Seaberg	Wigley
Dempsey	Kahn	Olsen	Segal	Wynia
DenOuden	Kalis	Omann	Shaver	Zaffke
Dimier	Kelly	Onnen	Shea	Speaker Sieben
Eken	Knickerbocker	Osthoff	Sherman	

The bill was passed and its title agreed to.

### GENERAL ORDERS

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

#### REPORT OF THE COMMITTEE OF THE WHOLE

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

H. F. No. 1491 which it recommended to pass.

H. F. Nos. 404, 432, 1279 and 1408 which it recommended progress.

S. F. No. 214 which it recommended progress.

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

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

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

House Concurrent Resolution No. 8, A house concurrent resolution relating to adjournment of the Senate and House of Representatives for more than three days.

Reported the same back with the following amendments:

Delete everything after the resolving clause, and insert:

“(1) Upon its adjournment on Thursday, March 15, 1984, the House of Representatives may set its next day of meeting for Thursday, March 22, 1984.

(2) By adoption of this resolution, the Senate consents to the adjournment of the House for more than three days.”

Further, amend the title, line 2, delete “Senate and”

With the recommendation that when so amended the resolution be adopted.

The report was adopted.

House Concurrent Resolution No. 8, as amended by the Committee on Rules and Legislative Administration, was reported to the House.

Eken moved to amend House Concurrent Resolution No. 8, as amended, as follows:

Delete “Thursday, March 22, 1984” and insert “Wednesday, March 21, 1984”

The motion prevailed and the amendment was adopted.

Eken moved that House Concurrent Resolution No. 8, as amended, be now adopted. The motion prevailed and House Concurrent Resolution No. 8, as amended, was adopted.

## MOTIONS AND RESOLUTIONS

Jacobs moved that the name of Neuenschwander be added as an author on H. F. No. 262. The motion prevailed.

Quinn moved that the name of Ogren be added as an author on H. F. No. 735. The motion prevailed.

Schoenfeld moved that the name of Findlay be added as an author on H. F. No. 791. The motion prevailed.

Waltman moved that the name of Uphus be added as an author on H. F. No. 975. The motion prevailed.

Jennings moved that the names of Findlay and Welker be added as authors on H. F. No. 1334. The motion prevailed.

Nelson, D., moved that the name of Segal be added as an author on H. F. No. 1383. The motion prevailed.

Solberg moved that the names of Neuenschwander and Thiede be added as authors on H. F. No. 1409. The motion prevailed.

Kalis moved that the name of Long be added as an author on H. F. No. 1482. The motion prevailed.

Krueger moved that the name of Findlay be added as an author on H. F. No. 1512. The motion prevailed.

Krueger moved that the name of Price be added as an author on H. F. No. 1532. The motion prevailed.

Munger moved that the name of Otis be added as an author on H. F. No. 1740. The motion prevailed.

Brinkman moved that the name of Findlay be added as an author on H. F. No. 1761. The motion prevailed.

Tunheim moved that the name of Segal be added as an author on H. F. No. 1813. The motion prevailed.

Cohen moved that the name of Halberg be added as an author on H. F. No. 1817. The motion prevailed.

Battaglia moved that the name of Begich be added as an author on H. F. No. 1839. The motion prevailed.

Blatz moved that the names of Metzen and Price be added as authors on H. F. No. 1860. The motion prevailed.

Blatz moved that the name of Welle be added as an author on H. F. No. 1861. The motion prevailed.

Battaglia moved that the name of Begich be added as an author on H. F. No. 1862. The motion prevailed.

Anderson, G., moved that H. F. No. 1730 be recalled from the Committee on Appropriations and be re-referred to the Committee on Transportation. The motion prevailed.

Kahn moved that H. F. No. 1668 be recalled from the Committee on Appropriations and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Peterson moved that H. F. No. 1709 be recalled from the Committee on Energy and be re-referred to the Committee on Commerce and Economic Development. The motion prevailed.

Osthoff moved that the name of Price be added as an author on H. F. No. 700. The motion prevailed.

Gutknecht moved that the name of Osthoff be added as an author on H. F. No. 1802. The motion prevailed.

Staten moved that the names of Segal and Clark, K., be added as authors on H. F. No. 1863. The motion prevailed.

Otis moved that the name of Wynia be added as an author on H. F. No. 1827. The motion prevailed.

Anderson, B., moved that H. F. No. 1173 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, March 15, 1984. 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., Thursday, March 15, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SIXTY-FOURTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 15, 1984

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 Tomas E. Meeks, House Chaplain, Ramsey, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Erickson	Kostohryz	Peterson	Sparby
Anderson, G.	Evans	Krueger	Piepho	Stadum
Anderson, R.	Findlay	Kvam	Piper	Staten
Battaglia	Fjoslien	Larsen	Price	Sviggum
Beard	Forsythe	Long	Quinn	Swanson
Begich	Frerichs	Ludeman	Quist	Thiede
Bennett	Graba	Mann	Redalen	Tomlinson
Bergstrom	Greenfield	Marsh	Reif	Tunheim
Bishop	Gruenes	McDonald	Rice	Uphus
Blatz	Gutknecht	McEachern	Riveness	Valan
Boo	Halberg	McKasy	Rodosovich	Valento
Brinkman	Haukoos	Metzen	Rodriguez, C.	Vanasek
Burger	Heap	Minne	Rodriguez, F.	Vellenga
Carlson, D.	Heinitz	Munger	St. Onge	Voss
Carlson, L.	Himle	Murphy	Sarna	Waltman
Clark, J.	Hoffman	Nelson, D.	Schafer	Welch
Clark, K.	Hokr	Neuenschwander	Scheid	Welker
Clawson	Jacobs	Norton	Schoenfeld	Welle
Cohen	Jennings	O'Connor	Schreiber	Wenzel
Coleman	Jensen	Ogren	Seaberg	Wigley
Dempsey	Johnson	Olsen	Segal	Wynia
DenOuden	Kahn	Omman	Shaver	Zaffke
Dimler	Kalis	Onnen	Shea	Speaker Sieben
Eken	Kelly	Osthoff	Sherman	
Elioff	Knickerbocker	Otis	Skoglund	
Ellingson	Knuth	Pauly	Solberg	

A quorum was present.

Brandl; Gustafson; Hoberg; Levi; Nelson, K.; Rose and Simoneau were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Wigley 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. 950, 1377, 1456, 1485, 1587, 1481, 1516 and 1654 have been placed in the members' files.

## REPORTS OF STANDING COMMITTEES

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 49, A bill for an act relating to state employees; establishing Martin Luther King's birthday as an optional holiday; amending Minnesota Statutes 1982, section 645.44, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 126.10, is amended to read:

126.10 [SPECIAL DAYS.]

The following days or the school days nearest to them are designated for special observance in the public schools of the state: September 28 as Frances Willard Day, October 9 as Leif Ericson Day, (JANUARY 15 AS MARTIN LUTHER KING, JR. DAY,) and February 15 as Susan B. Anthony Day. On these days schools may offer instruction and programs in commemoration of the life and history of the respective persons and the principles and ideals they fostered.

Sec. 2. Minnesota Statutes 1982, section 126.13, is amended to read:

126.13 [CONDUCT OF SCHOOL ON CERTAIN HOLIDAYS.]

The governing body of any district may contract with any of the teachers thereof for the conduct of schools, and may conduct schools, on either, or any, of the following holidays, provided that a clause to this effect is inserted in the teacher's contract: Lincoln's and Washington's birthdays, Columbus Day and Veterans' Day, provided that on Washington's birthday, Lincoln's birthday, and Veterans' Day at least one hour of the school program be devoted to a patriotic observance of the day. *School may not be conducted on Martin Luther King's birthday.*

Sec. 3. Minnesota Statutes 1982, section 136.22, is amended to read:

136.22 [CLASSES ON HOLIDAYS.]

The state university board is hereby authorized to conduct classes in the several state colleges on either or any of the following holidays: Lincoln's Birthday, Washington's Birthday, Columbus Day, and Veterans Day, provided that when classes are held on Washington's Birthday, Lincoln's Birthday, or Veterans Day, that at least one hour of the school day be devoted to a patriotic observance of that day. *Classes may not be conducted on Martin Luther King's birthday.*

Sec. 4. Minnesota Statutes 1982, section 645.44, subdivision 5, is amended to read:

Subd. 5. [HOLIDAYS.] "Holiday" includes New Year's Day, January 1; *Martin Luther King's birthday, the third Monday in January*; Washington's and Lincoln's Birthday, the third Monday in February; Memorial Day, the last Monday in May; Independence Day, July 4; Labor Day, the first Monday in September; Christopher Columbus Day, the second Monday in October; Veterans Day, November 11; Thanksgiving Day, the fourth Thursday in November; and Christmas Day, December 25; provided, when New Year's Day, January 1; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Sunday, the following day shall be a holiday and, provided, when New Year's Day, January 1; or Independence Day, July 4; or Veterans Day, November 11; or Christmas Day, December 25; falls on Saturday, the preceding day shall be a holiday. No public business shall be transacted on any holiday, except in cases of necessity and except in cases of public business transacted by the legislature, nor shall any civil process be served thereon. However, for the executive branch of the state of Minnesota, "holiday" also includes the Friday after Thanksgiving but does not include Christopher Columbus Day. Other branches of state government and political subdivisions shall have the option of determining whether Christopher Columbus Day and the Friday after Thanksgiving shall be holidays. Where it is determined that Columbus Day or the Friday after Thanksgiving is not a holiday, public business may be conducted thereon.

Any agreement between a public employer and an employee organization citing Veterans Day as the fourth Monday in October shall be amended to cite Veterans Day as November 11.

Sec. 5. [EFFECTIVE DATE.]

*This act is effective January 1, 1986.*

Delete the title and insert:

“A bill for an act relating to holidays; establishing Martin Luther King’s birthday as a holiday; ending observation of Martin Luther King’s birthday in public schools on January 15; prohibiting school districts and state colleges from conducting classes on Martin Luther King’s birthday; amending Minnesota Statutes 1982, sections 126.10; 126.13; 136.22; and 645.44, subdivision 5.”

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

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 361, A bill for an act relating to safety; establishing a traffic safety education improvement program; imposing an additional fee for driver’s license renewal for the traffic safety education improvement fund; appropriating money; amending Minnesota Statutes 1982, section 171.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 126.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [126.117] [TRAFFIC SAFETY EDUCATION IMPROVEMENT PROGRAM.]

*Subdivision 1. [ESTABLISHMENT; ADMINISTRATION.] A traffic safety education program is established. The program shall be administered by the commissioner of education. The program may include instructor training, materials development, traffic safety promotion, and reimbursement for the cost of improving local programs offered by state agencies, local political subdivisions, and other approved nonpublic schools and organizations.*

*Subd. 2. [REIMBURSEMENTS.] The commissioner of education, to the extent that funds are available, shall reimburse state agencies, local political subdivisions, and other approved nonpublic schools and organizations for conducting approved traffic safety education programs. The reimbursements shall be made under agreements between the commissioner of education and recipients. The agreements are not subject to the contract*

*procedures of the commissioner of administration. The commissioner of education may conduct audits and examine the records and accounts relating to the traffic safety education programs, of state agencies, local political subdivisions, and other approved nonpublic schools and organizations participating in the program.*

*Subd. 3. [APPROPRIATION; AUTHORIZED USES.] Money in the traffic safety education fund created by section 2 is annually appropriated to the commissioner of education to implement the provisions of subdivisions 1 and 2. Not more than five percent of the funds appropriated may be expended for increases in department staff complements and administrative costs of implementing the provisions of subdivisions 1 and 2.*

*One-third of the remaining amount of the appropriation shall be allocated to the traffic safety education program and two-thirds of the remaining amount shall be allocated to the public and nonpublic schools offering approved driver's education programs. The moneys allocated to the public and nonpublic schools shall be allocated on the basis of number of pupils served in a driver's education program. The money allocated to nonpublic schools shall be used only for individualized instructional materials, as defined in section 123.932.*

Sec. 2. Minnesota Statutes 1982, section 171.06, is amended by adding a subdivision to read:

*Subd. 2b. [FEE INCREASED.] The fee for a driver's license is increased by \$2. The additional fee shall be paid into the state treasury and credited to the traffic safety education fund which is hereby created.*

*Driver's license application forms must clearly contain the information that \$2 of the total fee charged is dedicated to the traffic safety education fund."*

Delete the title and insert:

*"A bill for an act relating to safety; establishing a traffic safety education program; imposing an additional fee for a driver's license for the traffic safety education fund; appropriating money; amending Minnesota Statutes 1982, section 171.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 126."*

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

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 735, A bill for an act relating to insurance; providing for certain unfair or deceptive acts or practices; prescribing penalties; amending Minnesota Statutes 1982, section 72A.20, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 72A; repealing Minnesota Statutes 1982, section 72A.20, subdivision 12.

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1257, A bill for an act relating to occupations and professions; regulating entertainment agencies; providing penalties; proposing new law coded as Minnesota Statutes, chapter 184A.

Reported the same back with the following amendments:

Page 2, line 1, delete “: (a)”

Page 2, line 4, delete the semicolon and insert a period

Page 2, delete lines 5 to 12

Page 2, line 30, delete “*employment*” and insert “*entertainment*”

Page 3, line 32, delete “*residents of the city or*”

Page 3, delete lines 33 to 36

Page 4, delete line 1 and insert “*persons, neither of whom is related to the applicant.*”

Page 11, line 2, delete “\$100” and insert “\$500”

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1347, A bill for an act relating to peace officers; requiring prompt investigation of reports of missing children; proposing new law coded in Minnesota Statutes, chapter 626.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [518.177] [NOTIFICATION REGARDING CHILD ABDUCTION LAW.]

*Every court order, whether temporary or final, concerning custody of or visitation with a child or stepchild under the age of 18 shall summarize and provide notice to parents, stepparents, or guardians of the provisions of section 609.26.*

Sec. 2. Minnesota Statutes 1982, section 609.26, is amended to read:

609.26 [CONCEALING, OBTAINING, OR RETAINING A CHILD.]

Subdivision 1. [CONCEALMENT OF CHILD.] Whoever intentionally (TAKES, DETAINS OR FAILS TO RETURN) *conceals* his own child or stepchild under the age of 18 years (IN VIOLATION OF AN EXISTING COURT ORDER WHICH GRANTS ANOTHER PERSON RIGHTS OF CUSTODY) *from a parent, stepparent, or other legal custodian, where the action manifests an intent substantially to deprive that parent, stepparent, or custodian of his rights to the child, is guilty of a felony and may be sentenced as provided in subdivision (5) 7.*

Subd. 2. [INTERFERENCE WITH CUSTODIAL OR PARENTAL RIGHTS.] (WHOEVER DETAINS OR FAILS TO RETURN A CHILD UNDER THE AGE OF 18 YEARS KNOWING THAT THE PHYSICAL CUSTODY OF THE CHILD HAS BEEN OBTAINED OR RETAINED BY ANOTHER IN VIOLATION OF SUBDIVISION 1 MAY BE SENTENCED AS PROVIDED IN SUBDIVISION 5.) *Any person who commits any of the following acts is guilty of a felony and may be sentenced as provided in subdivision 7:*

(1) *interferes with the custody of his own child or stepchild under the age of 18 whose legal custody has been transferred under chapter 260 to the commissioner of public welfare, a child placing agency, the county welfare board, or an individual;*

(2) takes, obtains, retains, or fails to return his own child or stepchild under the age of 18 from or to the parent, stepparent, or person having legal custody or visitation rights under a court order, where the action manifests an intent substantially to deprive that parent, stepparent, or legal custodian of his rights to the child;

(3) after being served with process in an action affecting marriage but prior to the issuance of a temporary or final order determining custody or visitation rights, takes, obtains, retains, or fails to return his own child or stepchild under the age of 18 from or to a parent or stepparent, where the action manifests an intent substantially to deprive that parent or stepparent of his rights to the child; or

(4) takes, obtains, retains, or fails to return his own child or stepchild under the age of 18 from or to the other parent or stepparent, where the action manifests an intent substantially to deprive that parent or stepparent of his rights to the child.

Subd. 3. [DEFENSES.] No person violates subdivision 1 or 2 if the action:

(1) is taken to protect the child or the person taking the action from imminent physical harm or sexual assault;

(2) is consented to by the parent, stepparent, or legal custodian seeking prosecution; or

(3) is otherwise authorized by a court order.

The defenses provided in this subdivision are in addition to and do not limit other defenses available under this chapter or chapter 611.

Subd. 4. [TEMPORARY CUSTODY ORDERS.] A prosecution for violation of subdivision 1 or 2, clauses (3) and (4), may be initiated only after the complaining parent, stepparent, or other custodian has obtained a temporary custody order pursuant to section 518.131, subdivision 1 or 3; or 518B.01, subdivision 6.

Subd. (3) 5. [VENUE.] A person who violates this section may be prosecuted and tried either in the county in which the child was taken, concealed or detained or in the county of lawful residence of the child.

Subd. (4) 6. [RETURN OF CHILD; COSTS.] A child who has been obtained or retained in violation of this section

shall be returned to the person having lawful custody of the child or shall be taken into custody pursuant to section 260.165, subdivision 1, paragraph (c), clause (2). In addition to any sentence imposed, the court may assess any expense incurred in returning the child against any person convicted of violating this section. *The court may direct the appropriate county welfare agency to provide counseling services to a child who has been returned pursuant to this subdivision.*

Subd. (5) 7. [PENALTY.] Whoever violates this section may be sentenced (AS FOLLOWS):

((1) TO IMPRISONMENT FOR NOT MORE THAN 90 DAYS OR TO PAYMENT OF A FINE OF NOT MORE THAN \$500, OR BOTH, IF HE VOLUNTARILY RETURNS THE CHILD WITHIN 14 DAYS AFTER HE TAKES, DETAINS OR FAILS TO RETURN THE CHILD IN VIOLATION OF THIS SECTION; OR)

((2) OTHERWISE) to imprisonment for not more than one year and one day or to payment of a fine of (\$1,000) \$3,000, or both.

*Subd. 8. [CHILD ABUSE REPORTING.] Any violation of this section is child abuse and shall be reported to local law enforcement authorities by persons mandated to report pursuant to section 626.556.*

### Sec. 3. [EFFECTIVE DATE.]

*Section 1 is effective August 1, 1984. Section 2 is effective August 1, 1984, and applies to crimes committed on or after that date."*

Delete the title and insert:

"A bill for an act relating to crimes; prohibiting the concealing, obtaining, or retaining of a child in violation of the parental, custodial, or visitation rights of another; imposing penalties; providing for notification in custody or visitation orders of the child abduction laws; requiring violations of the child abduction law to be reported under the child abuse reporting law; amending Minnesota Statutes 1982, section 609.26; proposing new law coded in Minnesota Statutes, chapter 518."

With the recommendation that when so amended the bill pass.

The report was adopted.



Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1379, A bill for an act relating to taxation; providing for computation and distribution of state aids to towns; amending Minnesota Statutes 1982, section 477A.013, subdivision 2, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 477A.013, subdivision 1, is amended to read:

Subdivision 1. [TOWNS.] In each calendar year, each town which (HAS AN AVERAGE EQUALIZED MILL RATE OF AT LEAST TWO MILLS) *had levied for taxes payable in the previous year at least one mill on the dollar of the assessed value of the town* shall receive a distribution equal to 50 percent of the amount received in 1983 pursuant to Minnesota Statutes 1982, sections 273.138, 273.139, and 477A.011 to 477A.03.

Sec. 2. Minnesota Statutes 1983 Supplement, section 477A.013, subdivision 2, is amended to read:

Subd. 2. [CITIES AND TOWNS.] In each calendar year, each statutory and home rule charter city shall receive a distribution equal to the amount obtained by subtracting ten mills multiplied by the municipality's equalized assessed value from the adjusted local revenue base.

An aid amount shall be computed in the same manner for all towns which (HAVE AN AVERAGE EQUALIZED MILL RATE OF AT LEAST TWO MILLS) *had levied for taxes payable in the previous year at least one mill on the dollar of the assessed value of the town*. A town's final aid amount shall be determined by either the subdivision 1 or the subdivision 2 calculation, whichever is greater.

Sec. 3. Minnesota Statutes 1983 Supplement, section 477A.03, subdivision 2, is amended to read:

Subd. 2. [LIMITATION ON APPROPRIATION; PROPORTIONATE REDUCTION.] The amount appropriated under subdivision 1 for distributions to towns pursuant to section 477A.013 shall not exceed (\$8,750,000) *\$9,105,000* and the amount appropriated for distribution to cities pursuant to section 477A.013 shall not exceed \$246,200,000 for calendar year 1984. If the limitations contained in this subdivision re-

sult in a reduction in the amounts determined pursuant to section 477A.013, subdivision 2, each city receiving local government aid shall have its distribution reduced in proportion to the amounts determined pursuant to section 477A.013, subdivision 2, before the limitation of section 477A.013, subdivision 3, is taken into account. If the limitations contained in this subdivision result in a reduction in the amounts determined pursuant to section 477A.013, subdivision 1, each town receiving local government aid shall have its distribution reduced in proportion to the amounts determined pursuant to section 477A.013, subdivision 1 or 2, before the limitation of section 477A.013, subdivision 3, is taken into account.

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day following final enactment for determination of aids to be paid in 1984 and subsequent years. Notwithstanding section 477A.014, subdivision 1, the commissioner shall notify towns affected by the provisions of sections 1 to 3 of their revised aid amounts and the computational factors used in making the calculations for their aids as soon as practicable."*

Delete the title and insert:

"A bill for an act relating to taxation; reducing town levies required to qualify for local government aids; increasing the appropriation for aid to towns; amending Minnesota Statutes 1983 Supplement, sections 477A.013, subdivisions 1 and 2; and 477A.03, subdivision 2."

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

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1381, A bill for an act relating to public libraries; providing for library board members and terms; amending Minnesota Statutes 1982, section 134.09, subdivisions 1, as amended, and 2, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [CITY OF CALEDONIA; LIBRARY BOARD.]

*Minnesota Statutes, section 134.09, subdivisions 1 and 2 shall apply to the city of Caledonia except that the city council may appoint members of the library board from among residents of the service area of the library and members of the library board may serve more than three consecutive terms.*

Sec. 2. [LOCAL APPROVAL.]

*This act is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Caledonia.”*

Delete the title and insert:

“A bill for an act relating to the city of Caledonia; providing for the appointment of members to the library board; authorizing terms of service.”

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

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1382, A bill for an act relating to crimes; providing for the manner of modifying sentencing guidelines; amending Minnesota Statutes 1982, section 244.09, subdivisions 5, 11, as amended, and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 244.01, subdivision 2, is amended to read:

Subd. 2. “Inmate” means any person who is convicted of a felony, is committed to the custody of the commissioner of corrections and is confined in a state correctional facility or released from a state correctional facility pursuant to (SECTIONS 244.05,) section 244.065 (, AND) or 244.07.

Sec. 2. Minnesota Statutes 1982, section 244.01, subdivision 8, is amended to read:

Subd. 8. "Term of imprisonment" is (A) *the period of time (EQUAL TO THE PERIOD OF TIME) to which (THE) an inmate is committed to the custody of the commissioner of corrections (FOLLOWING A CONVICTION FOR A FELONY) minus earned good time.*

Sec. 3. Minnesota Statutes 1982, section 244.09, subdivision 5, is amended to read:

Subd. 5. The commission shall, on or before January 1, 1980, promulgate sentencing guidelines for the district court. The guidelines shall be based on reasonable offense and offender characteristics. The guidelines promulgated by the commission shall be advisory to the district court and shall establish:

(1) The circumstances under which imprisonment of an offender is proper; and

(2) A presumptive, fixed sentence for offenders for whom imprisonment is proper, based on each appropriate combination of reasonable offense and offender characteristics. The guidelines may provide for an increase or decrease of up to 15 percent in the presumptive, fixed sentence.

The sentencing guidelines promulgated by the commission may also establish appropriate sanctions for offenders for whom imprisonment is not proper. Any guidelines promulgated by the commission establishing sanctions for offenders for whom imprisonment is not proper shall make specific reference to noninstitutional sanctions, including but not limited to the following: payment of fines, day fines, restitution, community work orders, work release programs in local facilities, community based residential and nonresidential programs, incarceration in a local correctional facility, and probation and the conditions thereof.

In establishing the sentencing guidelines, the commission shall take into substantial consideration current sentencing and release practices and correctional resources, including but not limited to the capacities of local and state correctional facilities.

The provisions of sections 14.01 to 14.70 do not apply to the promulgation of the sentencing guidelines, *and the sentencing guidelines, including severity levels and criminal history scores, are not subject to review by the legislative commission to review administrative rules. However, on or before June 1, 1985, the commission shall adopt rules pursuant to sections 14.01 to 14.70 which establish procedures for the promulgation of the sentencing guidelines, including procedures for the promulgation of severity levels and criminal history scores, and these rules shall be subject to review by the legislative commission to review administrative rules.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 244.09, subdivision 11, is amended to read:

Subd. 11. [MODIFICATION; RETROACTIVE EFFECT.] The commission shall meet as necessary for the purpose of modifying and improving the guidelines. *Except as otherwise provided in this subdivision, proposed modifications in the sentencing guidelines grid, including severity levels and criminal history scores, but excluding proposed modifications relating to crimes that were created or amended by the legislature in the preceding legislative session, shall be submitted to the legislature by January 1 of any year when the commission desires to make a change and shall be effective on August 1 of that year, unless the legislature by law provides otherwise. On or before September 1 of each year, the commission shall submit a written report to the judiciary committees of the senate and the house of representatives identifying and explaining all modifications in the sentencing guidelines made during the preceding 12 months.* Any modification of the (GUIDELINES THAT CAUSES A DURATION CHANGE) numbers in the cells of the sentencing guidelines grid shall be retroactive for all inmates serving sentences imposed pursuant to the Minnesota sentencing guidelines if the (DURATIONAL) change reduces the (APPROPRIATE) term of imprisonment. *The commissioner of corrections shall notify the sentencing judge of all inmates who would be eligible for resentencing and the extent to which their terms of imprisonment would be reduced by the guidelines changes. Modifications to numbers in the cells of the sentencing guidelines grid shall not be retroactive to offenders on supervised release or to offenders who have had their supervised release revoked and who have been reimprisoned. Modifications to the sentencing guidelines other than numbers in the cells of the sentencing guidelines grid shall not be retroactive to inmates sentenced prior to the effective revision date.*

Sec. 5. Minnesota Statutes 1982, section 244.09, is amended by adding a subdivision to read:

*Subd. 13. [RULEMAKING POWER.] The commission shall have authority to promulgate temporary and permanent rules to carry out the purposes of section 3.*

Sec. 6. [EFFECTIVE DATE.]

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

Delete the title and insert:

"A bill for an act relating to crimes; clarifying the definition of "inmate" and "term of imprisonment"; providing for the manner of modifying sentencing guidelines and resentencing affected inmates; amending Minnesota Statutes 1982, section

244.01, subdivisions 2 and 8; 244.09, subdivision 5, and by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 244.09, subdivision 11."

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1428, A bill for an act relating to missing children; requiring the commissioner of public safety to establish a Minnesota missing child program; requiring law enforcement agencies receiving missing child reports to take certain actions; appropriating money; proposing new law coded in Minnesota Statutes, chapter 299C.

Reported the same back with the following amendments:

Page 3, delete lines 17 to 21, and insert:

"Sec. 4. [EFFECTIVE DATE.]

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

Amend the title as follows:

Page 1, line 6, delete "appropriating money;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1486, A bill for an act relating to courts; providing for the appeal of various matters to the court of appeals; amending Minnesota Statutes 1983 Supplement, sections 299D.03, subdivision 11; 412.861, subdivision 3; 625.09; 625.11; 625.14; and 629.62.

Reported the same back with the following amendments:

Page 1, line 24, strike "DISTRICT COURT" and insert "COURT OF APPEALS"

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

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1503, A bill for an act relating to local government; providing for the duties and bonds of city clerks; amending Minnesota Statutes 1982, sections 412.151; and 418.25, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 17, delete "*financial and*"

Page 2, line 18, before "*made*" insert "*who by ordinance is*"

Page 2, line 19, delete "*financial and*"

Page 2, line 20, delete "*their*" and insert "*the*"

Page 2, line 20, before the period insert "*of his or her duties*"

Page 2, line 22, before "*bond*" insert "*official*"

Page 2, line 24, delete "*by the state*"

Page 2, delete line 25, and insert "*in accordance with the minimum procedures*"

Page 2, line 26, after the period insert "*A copy of the ordinance shall be provided to the state auditor.*"

Page 3, after line 4, insert:

"Sec. 3. [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.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1504, A bill for an act relating to courts; providing for court of appeal representation on the judicial board of standards and certain advisory committees; amending Minnesota Statutes 1982, sections 480.052; 480.059, subdivision 2; and Minnesota Statutes 1983 Supplement, section 490.15, subdivision 1.

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

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1524, A bill for an act relating to claims against the state; providing for claims arising out of the injury or death of an inmate conditionally released; amending Minnesota Statutes 1982, section 3.739, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 3.739, subdivision 1, is amended to read:

Subdivision 1. [(LEGISLATIVE AUTHORITY) *PERMISSIBLE CLAIMS.*] Claims and demands arising out of the circumstances described in this subdivision shall be presented to, heard, and determined (BY THE LEGISLATURE) *as provided in subdivision 2:*

(1) An injury to or death of an inmate of a state, regional, or local correctional facility or county jail who has been conditionally released (FROM A STATE CORRECTIONAL FACILITY) and ordered to perform uncompensated work for a state agency, a political subdivision or public corporation of this state, (OR) a nonprofit educational, medical, or social service agency, or a private business or individual, as a condition of his release, while performing the work;

(2) An injury to or death of a person (WHO HAS BEEN PLACED ON PROBATION BY A COURT) *sentenced by a court, granted a suspended sentence by a court, or subject to a court disposition order, and who (IS PERFORMING WORK*



IN RESTITUTION), pursuant to court order, is performing work (a) in restitution, (b) in lieu of or to work off fines or court ordered costs, (c) in lieu of incarceration, or (d) as a term or condition of a sentence, suspended sentence, or disposition order, while performing the work; or

(3) An injury to or death of a person (, INCLUDING A JUVENILE) who has been diverted from the court system and who is performing work (IN RESTITUTION) as described in paragraph (1) or (2) pursuant to a written agreement signed by himself, and if a juvenile, by his parent or guardian.

Sec. 2. Minnesota Statutes 1982, section 3.739, subdivision 2, is amended to read:

Subd. 2. [EVALUATION AND PAYMENT OF CLAIMS.] Claims not to exceed \$500 arising out of this section shall be (PAID PURSUANT TO LEGISLATIVE APPROPRIATION FOLLOWING EVALUATION OF EACH CLAIM BY THE APPROPRIATE COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES. COMPENSATION WILL NOT BE PAID FOR PAIN AND SUFFERING) investigated by the state or local agency responsible for supervising the work to determine if the claim is valid and if the loss is covered by insurance. The investigating agency shall submit all appropriate claims to the department of corrections. The department shall pay the portion of any valid claim which is not covered by insurance within a reasonable period of time. On or before the first day of each legislative session, the department shall submit to the appropriate committees of the senate and the house of representatives a list of the claims paid by it during the preceding calendar year, and shall be reimbursed pursuant to legislative appropriation for the claims paid.

Any claim in excess of \$500, and any claim which was not paid by the department may be presented to, heard, and determined by the appropriate committees of the senate and the house of representatives and, if approved, shall be paid pursuant to legislative appropriation.

No claimant receiving payment pursuant to this section may be identified by name either in the list of claimants submitted by the department or in the legislative appropriation.

Sec. 3. Minnesota Statutes 1982, section 3.739, is amended by adding a subdivision to read:

Subd. 2a. [LIMITATIONS.] No compensation shall be paid pursuant to this section for pain and suffering. Payments made pursuant to this section shall be reduced by any proceeds received by the claimant from any insurance policy covering the loss."

Amend the title as follows:

Page 1, line 4, before the semicolon insert "or a person performing work pursuant to a court order"

Page 1, line 5, delete "subdivision 1" and insert "subdivisions 1, 2, and by adding a subdivision"

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

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1607, A bill for an act relating to motor vehicles; increasing and expanding license plate fees; establishing the license plate revolving fund; amending Minnesota Statutes 1982, section 168.12, subdivisions 1, 5, and by adding a subdivision.

Reported the same back with the following amendments:

Page 3, line 19, after "*plates*" insert "*, other than plates issued pursuant to section 168.27, subdivisions 16 and 17,*"

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

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 1611, A bill for an act relating to commerce; manufactured homes; clarifying provisions relating to manufactured home safety features; amending Minnesota Statutes 1983 Supplement, section 327C.07, subdivisions 3a and 8.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 327C.02, subdivision 5, is amended to read:

Subd. 5. [WRITTEN NOTICE REQUIRED.] The following notice printed verbatim in boldface type of a minimum size

of ten points must be given to a prospective resident before he or she is asked to sign a rental agreement. The notice and the safety feature disclosure form required under section 327C.07, subdivision 3a, must be posted in a conspicuous and public location in the park:

### “IMPORTANT NOTICE

State law provides special rules for the owners and residents of manufactured home parks.

You may keep your home in the park as long as the park is in operation and you meet your financial obligations, obey state and local laws which apply to the park, obey reasonable park rules, do not substantially annoy or endanger the other residents or substantially endanger park personnel and do not substantially damage the park premises. You may not be evicted or have your rent increased or your services cut for complaining to the park owner or to a governmental official.

If you receive an eviction notice and do not leave the park, the park owner may take you to court. If you lose in court a sheriff may remove you and your home from the park within seven days. Or, the court may require you to leave the park within seven days but give you 60 days to sell the home within the park.

All park rules and policies must be reasonable. Your rent may not be increased more than twice a year. Changes made in park rules after you become a park resident will not apply to you if they substantially change your original agreement.

*The park may not charge you an entrance fee.*

The park may require a security deposit, but the deposit must not amount to more than two months rent.

You have a right to sell the home in the park. But the sale is not final until the park owner approves the buyer as a new resident, and you must advise in writing anyone who wants to buy your home that the sale is subject to final approval by the park owner. You must also disclose in writing certain safety information about your home to anyone who wants to buy it in the park. You must give this information to the buyer before the sale, in writing, on the form that is attached to this notice. You must completely and accurately fill out the form and you and the buyer should each keep a copy.

Your rental agreement and the park rules contain important information about your rights and duties. Read them carefully and keep a copy.

For further information concerning your rights, consult a private attorney. The state law governing the rental of lots in

manufactured home parks may also be enforced by the Minnesota Attorney General."

In addition, the safety feature disclosure form required under section 327C.07, subdivision 3a, must be attached to the notice."

Page 5, line 15, after "Minnesota" strike "and" and insert "*Within 30 days following the in park sale of a home for which a home safety feature disclosure form has been provided under subdivision 3a, the buyer shall install*"

Page 6, line 3, after the period, insert: "*This subdivision does not impose any duty or obligation upon a broker, dealer, lender, or park owner to monitor completion of any repairs required, nor does it impose liability on any broker, dealer, lender, or park owner for any injury or claim of whatever nature, which may arise as a result of the failure of the buyer of the home to comply with the home safety features required herein.*"

Page 6, delete lines 6 to 8

Renumber sections in sequence

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections 327C.02, subdivision 5; and"

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. 1669, A bill for an act relating to the American constitution bicentennial; creating a commission to promote and coordinate commemoration of the event; appropriating money.

Reported the same back with the following amendments:

Page 1, line 17, after "as" insert "*provided in the commissioner's plan for unrepresented*"

Page 3, line 3, delete "\$950,000" and insert "\$ . . . ."

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

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1671, A bill for an act relating to communications; creating the Minnesota telecommunications council; appropriating money; proposing new law coded as Minnesota Statutes, chapter 16B.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1730, A bill for an act relating to transportation; accelerating phased transfer of motor vehicle excise tax from general fund to highway user tax distribution fund and transit assistance fund; amending Minnesota Statutes 1983 Supplement, section 297B.09.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1760, A bill for an act relating to natural resources; authorizing a private sale of certain state fisheries land.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 1775, A bill for an act relating to energy and economic development; energy and economic development authority; adding definitions; clarifying duties and powers of the energy

and economic development authority; correcting statutory references; appropriating money; amending Minnesota Statutes 1982, sections 116J.36, subdivisions 3, 4, 6, 8, and by adding a subdivision; 116J.88, as amended; 116J.89, subdivision 4; 116J.90, by adding a subdivision; 116J.91, subdivisions 15, 17, 18, and by adding subdivisions; 474.01, subdivisions 7 and 7a; Minnesota Statutes 1983 Supplement, sections 116J.89, subdivisions 1, 1a, 1b, 1c, 2, 6, and 8; 116J.90, subdivisions 1, 2, 3, 5, and 6; 116J.91, subdivisions 1, 4, 11, 12, 16, 19, and 20; 116J.923, subdivision 7; 116J.924, subdivision 3; 116J.925, subdivisions 1 and 3; 275.125, subdivision 12a; Laws 1983, chapter 323, section 5, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 1983 Supplement, sections 116J.922; 116J.923, subdivisions 2 and 12; and 116J.924, subdivision 1.

Reported the same back with the following amendments:

Pages 1 to 4, delete sections 1 to 5

Page 11, delete lines 18 and 19

Page 11, line 20, delete "(i)" and insert "(h)"

Page 11, line 23, after the period insert "*In addition, the authority may use the economic development fund for purposes of purchasing, leasing, or licensing technology-related products to be used for education or training.*"

Page 15, line 25, delete the new language

Page 15, delete line 26

Page 26, line 5, after "authority" insert "*, including rentals, royalties, dividends, or other proceeds in connection with technology-related products, energy conservation products, or other equipment*"

Page 26, line 16, after "of" insert "*rentals,*"

Page 26, line 16, delete "*compensation*" and insert "*proceeds*"

Page 30, lines 17 to 20, delete section 41

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, delete "appropriating money;"

Page 1, line 7, delete "116J.36,"

Page 1, delete line 8

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

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1784, A bill for an act relating to the state board of investment; establishing combined investment funds; amending Minnesota Statutes 1982, sections 11A.14; and 11A.24, subdivision 2; and Minnesota Statutes 1983 Supplement, section 11A.24, subdivision 1; repealing Minnesota Statutes 1982, section 356.20, subdivision 5.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 735, 1257, 1347, 1381, 1382, 1428, 1486, 1503, 1504, 1611, 1760 and 1784 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Olsen, Otis and Segal introduced:

H. F. No. 1869, A bill for an act relating to retirement; retirement coverage for certain employees of the city of St. Louis Park; amending Laws 1980, chapter 600, section 17.

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

Schafer, Shaver and Jennings introduced:

H. F. No. 1870, A bill for an act relating to education; increasing the weighting of kindergarten pupil units for those at-

tending full day programs; amending Minnesota Statutes 1982, section 124.17, subdivision 1.

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

Welle, Minne, Osthoff, Knickerbocker and Piepho introduced:

H. F. No. 1871, A bill for an act relating to elections; making procedural changes; correcting erroneous and obsolete provisions; amending Minnesota Statutes 1982, sections 200.02, subdivision 7; 201.021; 201.061, subdivision 2; 203B.04, subdivision 4; 203B.06, subdivision 4; 204B.27, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.29, subdivision 1; 204C.27; and 208.04; Minnesota Statutes 1983 Supplement, sections 203B.12, subdivision 2; 204B.36, subdivision 2; 204C.10, subdivision 1; 204C.32, subdivision 2; and 204D.11, subdivisions 1 and 5; repealing Minnesota Statutes 1982, sections 201.018, subdivision 1; 204C.11; and 204C.30, subdivision 2.

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

Clawson introduced:

H. F. No. 1872, A bill for an act relating to occupations and professions; authorizing the board to accept foreign pharmacy graduates for examination as pharmacists; amending Minnesota Statutes 1982, section 151.10.

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

Knickerbocker introduced:

H. F. No. 1873, A bill for an act relating to state government; providing expiration dates for legislative commissions; proposing new law coded in Minnesota Statutes, chapter 15.

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



Staten; Coleman; Gustafson; Nelson, D., and Jensen introduced:

H. F. No. 1874, A bill for an act relating to child abuse; clarifying the authority of law enforcement agencies in investigating child abuse; requiring law enforcement to follow certain procedures when interviewing minors on school property; amending Minnesota Statutes 1983 Supplement, section 626.556, subdivision 10.

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

Graba, Solberg and St. Onge introduced:

H. F. No. 1875, A bill for an act relating to certain counties; providing for changes in the administration of county nursing homes; authorizing the establishment of facilities for the provision of supportive services; amending Minnesota Statutes 1982, sections 376.55; 376.56; 376.57; 376.58; 376.59; and 376.60; repealing Minnesota Statutes 1982, sections 376.573; 376.61; 376.62; 376.63; 376.64; 376.65; and 376.66.

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

Norton, Forsythe, Munger and Kahn introduced:

H. F. No. 1876, A bill for an act relating to historical properties; authorizing restrictions in conveyances to preserve historical resources; amending Minnesota Statutes 1982, sections 84.64 and 84.65.

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

Kelly, Otis, Eken, McKasy and Tomlinson introduced:

H. F. No. 1877, A bill for an act relating to enterprise zones; expanding the definition of areas eligible for designation as zones; limiting the designation of border city enterprise zones; clarifying the tax incentives available in enterprise zones; amending Minnesota Statutes 1983 Supplement, sections 273.1312, subdivisions 4 and 5; 273.1313, subdivisions 1 and 2; 273.1314, subdivisions 1, 6, 8, 9, 10, and by adding subdivisions.

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

St. Onge, Sieben, Clawson, Wigley and Rodriguez, F., introduced:

H. F. No. 1878, A bill for an act relating to building officials; providing for continuing education; amending Minnesota Statutes 1982, section 16.861, by adding a subdivision.

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

Otis; Clark, K.; Carlson, L., and Reif introduced:

H. F. No. 1879, A bill for an act relating to health; appropriating money for personnel and materials for the Environmental Pathology Laboratory of the University of Minnesota.

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

Zaffke introduced:

H. F. No. 1880, A bill for an act relating to transportation; empowering the department of transportation to promulgate rules regulating insurance requirements of building movers; amending Minnesota Statutes 1983 Supplement, section 221.81, subdivision 3; repealing Minnesota Statutes 1983 Supplement, section 221.81, subdivision 3a.

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

Zaffke introduced:

H. F. No. 1881, A bill for an act relating to towns; changing provisions for the use of certain state-aid road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

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

Schreiber; Rodriguez, C.; Brandl; Anderson, G., and Pauly introduced:

H. F. No. 1882, A bill for an act relating to metropolitan government; providing for public consultation on appointments; amending Minnesota Statutes 1983 Supplement, sections 473.123, subdivision 3; and 473.141, subdivision 2.

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

Jacobs introduced:

H. F. No. 1883, A bill for an act relating to liquor; abolishing prohibition on furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, sections 340.601; and 340.81; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; and 340.78.

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

Graba, Sparby and Mann introduced:

H. F. No. 1884, A bill for an act relating to commerce; providing an alternative distribution of assets following voluntary dissolution of a cooperative association; amending Minnesota Statutes 1982, section 308.14, by adding a subdivision.

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

Ellingson introduced:

H. F. No. 1885, A bill for an act relating to taxation; property; providing that certain instruments may be recorded without an auditor's certificate; amending Minnesota Statutes 1982, section 272.12.

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

Brandl, Reif and Greenfield introduced:

H. F. No. 1886, A bill for an act relating to the dissemination and collection of data; welfare data; providing for the release of information in emergencies; classifying investigative data not on individuals; classifying certain licensing data; establishing procedures for the handling of medical data; amending Minnesota Statutes 1982, section 13.46, subdivisions 3, 4, 5, and 6; and Minnesota Statutes 1983 Supplement, section 13.46, subdivision 2.

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

Norton; Sieben; Rice; Anderson, R., and Clark, K., introduced:

H. F. No. 1887, A bill for an act relating to the Minnesota emergency employment development program; appropriating additional money for the program; delaying its termination; amending Minnesota Statutes 1983 Supplement, sections 268.677; and 268.686.

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

O'Connor, Seaberg, Neuenschwander, Kelly and Greenfield introduced:

H. F. No. 1888, A bill for an act relating to drivers licenses; requiring certain notice on uniform traffic ticket; providing penalty for failure to respond to summons and complaint on uniform traffic ticket; prohibiting issuance of warrants on persons failing to pay fines for parking violations; establishing system for collecting unpaid fines; allocating driver's license reinstatement fees; amending Minnesota Statutes 1982, sections 169.99, by adding a subdivision; 171.16, subdivision 3, and by adding subdivisions; 171.20, subdivision 1; and 171.29, as amended.

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

Erickson, Sparby, DenOuden and Uphus introduced:

H. F. No. 1889, A bill for an act relating to insurance; township mutual companies; removing the restriction preventing members from acting as examining accountants, auditors, or certified financial examiners; amending Minnesota Statutes 1982, section 67A.241, subdivision 2.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

DenOuden, McEachern, Gutknecht, Battaglia and Erickson introduced:

H. F. No. 1890, A bill for an act relating to education; requiring the state university board, the state board for community colleges, the state board of vocational technical education, and the board of regents to grant refunds of activity fees used for student publications; amending Minnesota Statutes 1982, sections 136.11, by adding a subdivision; 136.67, by adding a subdivision; and 137.02, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 136C.04, by adding a subdivision.

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

Norton; Swanson; Murphy; Clark, J., and Greenfield introduced:

H. F. No. 1891, A bill for an act relating to public welfare; setting eligibility criteria for community social services; appropriating money; amending Minnesota Statutes 1982, section 256E.03, subdivision 2.

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

Clawson; Reif; Anderson, G.; Heinitz and Swanson introduced:

H. F. No. 1892, A bill for an act relating to hospitals; giving various public hospital authorities the powers of nonprofit corporations; proposing new law coded in Minnesota Statutes, chapter 317.

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

Metzen, Gutknecht, Minne, Piepho and Kostohryz introduced:

H. F. No. 1893, A bill for an act relating to commerce; regulating the sale and operation of video gambling devices; defining terms; providing for the licensing of distributors and operators; requiring location agreements; establishing certain fees; providing for record keeping; prescribing penalties; appropriating money; proposing new law coded in Minnesota Statutes, chapter 349.

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

Clawson introduced:

H. F. No. 1894, A bill for an act relating to occupations and professions; empowering the board of pharmacy to assess legal costs and fees; amending Minnesota Statutes 1982, section 151.06, subdivision 4.

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

Gustafson and Munger introduced:

H. F. No. 1895, A bill for an act relating to state departments and agencies; creating a consumer protection board; amending Minnesota Statutes 1982, section 45.17, by adding a subdivision.

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

Vanasek, Long, Quinn, Bishop and Sarna introduced:

H. F. No. 1896, A bill for an act relating to insurance; regulating insurance claims settlement; defining terms; prescribing penalties; providing for the venue for certain injunction proceedings; amending Minnesota Statutes 1982, sections 72A.20, subdivisions 11 and 12; 72A.23, subdivision 1; and 72A.25, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 72A.

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

Tunheim introduced:

H. F. No. 1897, A bill for an act relating to local government; changing the computation of payments-in-lieu; amending Minnesota Statutes 1982, section 477A.13.

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

Vanasek, Long, Quinn, Bishop and Sarna introduced:

H. F. No. 1898, A bill for an act relating to insurance; authorizing the adoption of temporary rules relating to the regulation of trade practices; specifying a certain unfair and deceptive act or practice; providing for the venue of injunction proceedings; amending Minnesota Statutes 1982, sections 72A.19, subdivision 2; 72A.20, subdivision 12; and 72A.25, subdivision 2.

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

Wenzel and Sieben introduced:

H. F. No. 1899, A bill for an act relating to agriculture; authorizing the airtight packaging of smoked fish; proposing new law coded in Minnesota Statutes, chapter 31.

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

Ellingson, Dempsey and Quinn introduced:

H. F. No. 1900, A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the Data Practices Act; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, 10, and by adding a subdivision; 13.06, subdivisions 1 and 6; 13.31, subdivision 2; 13.41, by adding a subdivision; 13.43, subdivi-

sion 2; 13.44; 13.65, subdivision 1; 13.67; and 13.72, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 13.

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

Wenzel and Sieben introduced:

H. F. No. 1901, A bill for an act relating to agriculture; exempting certain persons from rules governing processing, labeling, distribution, and handling of certain smoked fish; proposing new law coded in Minnesota Statutes, chapter 31.

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

Ellingson introduced:

H. F. No. 1902, A bill for an act relating to real property; allowing service of summons upon dissolved domestic corporations; amending Minnesota Statutes 1982, section 508.16, subdivision 1.

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

Rice introduced:

H. F. No. 1903, A bill for an act relating to local government; clarifying powers of municipalities with respect to sale of air rights; amending Minnesota Statutes 1982, section 472A.03.

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

Gutknecht introduced:

H. F. No. 1904, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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



Otis introduced:

H. F. No. 1905, A bill for an act relating to energy; cogeneration; providing that certain qualifying power facility property is exempt from taxation; providing a small power production and cogeneration equipment tax credit; amending Minnesota Statutes 1982, section 290.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; and 297A.25, subdivision 1.

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

Coleman introduced:

H. F. No. 1906, A bill for an act relating to unemployment compensation; providing for noncharging of certain volunteer firefighter benefits; amending Minnesota Statutes 1983 Supplement, section 268.07, subdivision 3.

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

Metzen and Jensen introduced:

H. F. No. 1907, A bill for an act relating to traffic regulation; allowing certain recreational vehicle combinations to tow a boat; amending Minnesota Statutes 1983 Supplement, section 169.81, subdivision 3, and by adding a subdivision.

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

Piepho, Findlay, McDonald, Boo and Waltman introduced:

H. F. No. 1908, A resolution memorializing Congress to call a constitutional convention to propose an amendment to the United States Constitution to require a balanced federal budget.

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

Solberg, Neuenschwander and Zaffke introduced:

H. F. No. 1909, A bill for an act relating to the Mississippi River headwaters area; requiring other governmental units to follow the land use plan adopted by the board; proposing new law coded in Minnesota Statutes, chapter 114B.

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

Nelson, K.; Anderson, B., and Evans introduced:

H. F. No. 1910, A bill for an act relating to agriculture; regulating the bulk sale of food; proposing new law coded in Minnesota Statutes, chapter 31.

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

Welle introduced:

H. F. No. 1911, A bill for an act relating to state lands; authorizing the sale of a certain lakeshore property in Kandiyohi County.

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

Kostohryz, Rice, Wynia, Rose and Evans introduced:

H. F. No. 1912, A bill for an act relating to the state agricultural society; changing the authority to make certain contracts; amending Minnesota Statutes 1983 Supplement, section 37.19.

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

Elioff and Munger introduced:

H. F. No. 1913, A bill for an act relating to St. Louis County; establishing positions in the unclassified civil service; amending Laws 1941, chapter 423, section 6, as amended.

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

Brandl and Skoglund introduced:

H. F. No. 1914, A bill for an act relating to public welfare; clarifying the commissioner's rulemaking authority; amending Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2.

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

Rodosovich, Eken, Shea, Vanasek and Heinitz introduced:

H. F. No. 1915, A bill for an act relating to commerce; providing for the licensing of transient merchants by local units of governments; amending Minnesota Statutes 1982, sections 329.14; 329.15; and 330.10, subdivision 2; repealing Minnesota Statutes 1982, sections 329.10; 329.11; 329.12; 329.13; 329.16; and 329.17, subdivision 1.

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

Wenzel introduced:

H. F. No. 1916, A resolution memorializing the President, Congress, and the United States Department of Agriculture to take speedy action to insure that frozen pizzas are wholesome, nutritious, flavorful, truthfully labeled, and entirely healthful by approving proposed standards for real cheese content on frozen meat pizzas and affirming that all meat on frozen pizzas should be cooked.

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

Omann, Minne, Olsen, Larsen and Johnson introduced:

H. F. No. 1917, A bill for an act relating to elections; limiting membership on a county canvassing board; amending Minnesota Statutes 1982, section 204C.31, subdivision 1.

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

Omann, Minne, Olsen, Larsen and Johnson introduced:

H. F. No. 1918, A bill for an act relating to elections; restricting the eligibility for appointment as election judge; amending Minnesota Statutes 1983 Supplement, section 204B.19, subdivision 2.

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

Segal and Mann introduced:

H. F. No. 1919, A bill for an act relating to education; repealing revenue equity aid subtraction; repealing Minnesota Statutes 1983 Supplement, section 124.2138; and Laws 1983, chapter 314, article 13, section 3.

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

Brandl, Greenfield, St. Onge, Gruenes and Vellenga introduced:

H. F. No. 1920, A bill for an act relating to public welfare; establishing payments for respite care of mentally retarded, epileptic, or emotionally handicapped children; establishing a statewide fee schedule for parental cost of care; amending Minnesota Statutes 1982, sections 246.511; 252.27, subdivisions 1 and 2; and Minnesota Statutes 1983 Supplement, section 256B.14, subdivision 2.

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

Dimler introduced:

H. F. No. 1921, A bill for an act relating to retirement; granting a joint and survivor's disability option benefit to the surviving spouse of a certain deceased member of the Minnesota state retirement system.

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

St. Onge, Battaglia, Solberg, Beard and Rose introduced:

H. F. No. 1922, A bill for an act relating to game and fish; exempting hunters on private shooting preserves from the requirement of a pheasant stamp; amending Minnesota Statutes 1983 Supplement, section 97.4843, subdivision 2.

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

Quinn, Heinitz, Larsen, Brinkman and Valan introduced:

H. F. No. 1923, A bill for an act relating to financial institutions; authorizing industrial loan and thrift companies to act as trustees or custodians of certain retirement accounts; authorizing the removal of the bond requirement on the advertisement and sale of certain evidences of indebtedness; allowing special powers without inclusion in articles of incorporation; providing certain conventional loans on the same terms as other lenders; authorizing open-end loans; providing an alternative to filing fee charges; authorizing the deposit of real estate broker and salesperson trust funds in industrial loan and thrifts; amending Minnesota Statutes 1982, sections 47.75, subdivision 1; 48.151; 53.04, subdivision 1; 53.04, by adding a subdivision; 56.131, subdivision 2; 82.24, subdivisions 1, 2, and 6; Minnesota Statutes 1983 Supplement, section 53.04, subdivision 3a; proposing new law coded in Minnesota Statutes, chapter 56.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

St. Onge, Sparby, Tunheim, Eken and Evans introduced:

H. F. No. 1924, A bill for an act relating to transportation; providing for location of nine district headquarters; proposing new law coded in Minnesota Statutes, chapter 174.

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

Nelson, K.; McEachern; Wenzel; Graba and Schafer introduced:

H. F. No. 1925, A bill for an act relating to education; extending the instructional effectiveness pilot program; providing

regional services for instructional effectiveness training; appropriating money; amending Minnesota Statutes 1983 Supplement, sections 121.608; and 121.609.

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

Sviggum, Redalen and Waltman introduced:

H. F. No. 1926, A bill for an act relating to school districts; reducing the basic maintenance mill rate; amending Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2.

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

Redalen, Frerichs, Kalis, Brinkman and Kvam introduced:

H. F. No. 1927, A bill for an act relating to taxation; property; changing the maximum school agricultural credit; amending Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1.

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

Price, Vellenga, Olsen, Hoffman and Brandl introduced:

H. F. No. 1928, A bill for an act relating to education; requiring the commissioner of education to study methods for sharing public school facilities; appropriating money.

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

Shea, Dimler and Mann introduced:

H. F. No. 1929, A bill for an act relating to agriculture; changing procedures for weighing livestock; imposing a penalty; appropriating money; amending Minnesota Statutes 1982,

sections 17A.03, by adding subdivisions; 17A.04, subdivisions 1, 6, 7, and 8; 17A.05; 17A.07; 17A.10; 17A.11; and 17A.12; Minnesota Statutes 1983 Supplement, section 17A.06, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 17A.

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

Carlson, D.; Peterson; Welch and Clawson introduced:

H. F. No. 1930, A bill for an act relating to agriculture; providing for an additional extension agent; proposing new law coded in Minnesota Statutes, chapter 38.

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

Anderson, G.; Schoenfeld; Redalen; Onnen and Kalis introduced:

H. F. No. 1931, A bill for an act relating to taxation; property; changing computation of the school agricultural credit; amending Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1.

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

Brandl, Skoglund, Schreiber, Osthoff and Redalen introduced:

H. F. No. 1932, A bill for an act relating to taxation; income; allowing individuals who do not itemize deductions a deduction for charitable contributions; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 1, and by adding a subdivision.

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

Redalen, Johnson, Frerichs, Kvam and Kalis introduced :

H. F. No. 1933, A bill for an act relating to school districts; reducing the basic maintenance mill rate; amending Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2.

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

Nelson, K.; McEachern; Quinn; Rodriguez, C., and Andersen, R., introduced :

H. F. No. 1934, A bill for an act relating to education; authorizing an equalized summer school aid and levy; authorizing uses of the aid and levy; amending Minnesota Statutes 1982, sections 124.20; and 124.201, subdivision 1; Minnesota Statutes 1983 Supplement, sections 124.201, subdivisions 2 and 5; and 275.125, subdivision 2k; repealing Minnesota Statutes 1982, sections 124.201, as amended; and 275.125, subdivision 2g; Minnesota Statutes 1983 Supplement, section 275.125, subdivisions 2i and 2j.

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

Dempsey, Vanasek, Norton, Ellingson and Coleman introduced :

H. F. No. 1935, A bill for an act relating to powers of attorney; providing procedures for granting powers of attorney; construing various specific powers; amending Minnesota Statutes 1982, sections 508.72; 508A.72; proposing new law coded as Minnesota Statutes, chapter 523; repealing Minnesota Statutes 1982, sections 51A.25; 354.10; 507.291; 507.292; 507.293; 507.39; 524.5-502; 524.5-505; and 528.16.

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

Olsen; Piepho; Larsen; Nelson, D., and Minne introduced :

H. F. No. 1936, A bill for an act relating to elections; changing the time for filing for school district offices; amending Minnesota Statutes 1982, section 123.32, subdivision 4.

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



Voss, Munger, Quinn, Bishop and Staten introduced :

H. F. No. 1937, A bill for an act relating to energy; directing the legislative commission on energy to prepare a policy statement on the expenditure of federal money for energy programs; requiring review of state plans to spend federal energy money; amending Minnesota Statutes 1982, section 3.351, by adding subdivisions.

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

Piepho and Wigley introduced :

H. F. No. 1938, A bill for an act relating to retirement; Mankato firefighters employee contributions; amending Laws 1971, chapter 407, section 1, subdivision 1, as amended.

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

Beard, Johnson, Bishop, Solberg and Sarna introduced :

H. F. No. 1939, A bill for an act relating to commerce; removing preference for Minnesota made materials in state purchasing; clarifying definition of public contract for resident preference; amending Minnesota Statutes 1982, section 16.365; Minnesota Statutes 1983 Supplement, section 16.0721; repealing Minnesota Statutes 1982, section 16.073; Minnesota Statutes 1983 Supplement, section 16.072; and Laws 1983, chapter 336, section 3.

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

Battaglia, Begich and Elioff introduced :

H. F. No. 1940, A bill for an act relating to taxation; abolishing the native prairie credit; amending Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; 290A.04, subdivision 2e; and 297A.253; repealing Minnesota Statutes 1982, section 273.116.

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

Marsh, Dimler, Findlay, Uphus and Omann introduced:

H. F. No. 1941, A bill for an act relating to corrections; requiring inmates to satisfactorily participate in rehabilitative programs as a condition of accruing good time reduction in their sentences; requiring the sentencing guidelines commission to amend the dispositional line on the sentencing guidelines grid; authorizing bonds to be issued for increasing the cell capacity of correctional facilities; appropriating money; amending Minnesota Statutes 1982, sections 244.02; and 244.04, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 244.04, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 244.

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

Jacobs introduced:

H. F. No. 1942, A bill for an act relating to unemployment compensation; exempting certain successor employing units from the transfer of the predecessor employing unit's experience rate; amending Minnesota Statutes 1982, section 268.06, subdivision 22; Minnesota Statutes 1983 Supplement, section 268.06, subdivision 3a.

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

Welle, Kostohryz, Jensen, Haukoos and Wigley introduced:

H. F. No. 1943, A bill for an act relating to transportation; requiring the rear car of trains to be an occupied caboose car; requiring caboose cars to be equipped with a shortwave radio; imposing a penalty; amending Minnesota Statutes 1982, sections 219.56 and 219.97, subdivision 6.

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

Metzen, Brinkman, Staten, Sieben and Heinitz introduced:

H. F. No. 1944, A bill for an act relating to financial institutions; qualifying obligations of the African Development Bank for public and private investment; amending Minnesota Statutes

1982, sections 11A.24, subdivision 2; 50.14, by adding a subdivision; and 61A.28, subdivision 2; Minnesota Statutes 1983 Supplement, section 60A.11, subdivision 14.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Skoglund; Brandl; Clark, J.; Nelson, K., and Sieben introduced:

H. F. No. 1945, A bill for an act relating to airports; metropolitan government; requiring reports to pollution control agency concerning noise abatement for the Minneapolis-St. Paul airport; amending Minnesota Statutes 1982, section 473.612.

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

Knuth, Neuenschwander, Clawson, Hokr and Gutknecht introduced:

H. F. No. 1946, A bill for an act relating to the governor; transferring the authority to make certain appointments to various commissioners; providing for filling a membership vacancy on a board reoccurring within three months after the vacancy has been filled; amending Minnesota Statutes 1982, sections 1.35; 15.0575, by adding a subdivision; 16.71, subdivision 1; 16.823, subdivision 2; 35.02, subdivision 1; 116E.02, subdivision 2; 121.934, subdivision 1; 182.656, subdivision 1; and 326.33, subdivision 1; Minnesota Statutes 1983 Supplement, sections 16.911, subdivision 1; 40.03, subdivision 1; 116C.82, subdivision 2; 116E.02, subdivision 1; 250.05, subdivision 2; and 299B.05, subdivision 1.

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

Greenfield, Wynia and Staten introduced:

H. F. No. 1947, A bill for an act relating to public welfare; directing the commissioner of public welfare to assess the need for home and community-based services for disabled persons under the age of 65 and apply for a waiver under the federal medicaid program; proposing new law coded in Minnesota Statutes, chapter 256B.

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

Greenfield, St. Onge, Rodosovich, Hokr and Wynia introduced :

H. F. No. 1948, A bill for an act relating to public welfare; making county of residence financially responsible for detoxification services provided to chemical dependency facility clients; amending Minnesota Statutes 1983 Supplement, section 256E.08, subdivision 7.

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

Olsen, Boo, Valento, Waltman and Knickerbocker introduced :

H. F. No. 1949, A bill for an act relating to insurance; automobile; requiring a premium reduction for certain persons who complete an accident prevention course; proposing new law coded in Minnesota Statutes, chapter 65B.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Forsythe; Olsen; Long; Rodriguez, C., and Blatz introduced :

H. F. No. 1950, A bill for an act relating to marriage; authorizing a married woman to use her former surname; proposing new law coded in Minnesota Statutes, chapters 325G and 517.

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

Anderson, G., by request, introduced :

H. F. No. 1951, A bill for an act relating to town roads; providing conditions for their construction or maintenance by counties; amending Minnesota Statutes 1982, section 163.16, subdivision 3.

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

Cohen introduced:

H. F. No. 1952, A bill for an act relating to the city of St. Paul; permitting the city to adopt certain regulations for smoke detection devices.

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

Vanasek; Carlson, L.; Munger; Frerichs and Haukoos introduced:

H. F. No. 1953, A bill for an act relating to education; adding two outstate members to the Minnesota higher education facilities authority; creating an advisory position on the authority; amending Minnesota Statutes 1983 Supplement, section 136A.26.

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

Kostohryz introduced:

H. F. No. 1954, A bill for an act relating to education; providing for employment rights in certain school district supervisory and administrative positions; amending Minnesota Statutes 1982, section 125.12, subdivision 2.

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

Fjoslien, Uphus, Dimler and Brinkman introduced:

H. F. No. 1955, A bill for an act relating to taxation; property; changing the wetlands credit; amending Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; and 273.115, subdivision 1.

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

Kvam introduced:

H. F. No. 1956, A bill for an act relating to Independent School District Number 465, Litchfield; use of proceeds of sale of a school building for capital outlay projects; requiring local approval.

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

Jacobs, Sarna, Sieben, Schreiber and Blatz introduced:

H. F. No. 1957, A bill for an act relating to intoxicating liquor; permitting exclusive sale by Minnesota wholesalers, distillers, rectifiers or bottlers of brands they own; amending Minnesota Statutes 1982, section 340.114, by adding a subdivision.

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

Minne, Sarna, Boo, Tomlinson and Olsen introduced:

H. F. No. 1958, A bill for an act relating to retirement; teachers; adopting a rule of 90 for unreduced annuities; lowering the reduction factor for early retirement; amending Minnesota Statutes 1982, section 354.44, subdivision 6.

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

Minne and Begich introduced:

H. F. No. 1959, A bill for an act relating to crimes; barring perpetrators of crimes from bringing civil actions to recover for injuries suffered during the course of criminal conduct; amending Minnesota Statutes 1983 Supplement, section 611A.01; proposing new law coded in Minnesota Statutes, chapter 611A.

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

Ellingson introduced:

H. F. No. 1960, A bill for an act relating to courts; simplifying the definition of contemptuous acts and updating provisions of law relating to contempt; prescribing penalties; amending Minnesota Statutes 1982, sections 588.01, as amended; 588.10; 588.20; Minnesota Statutes 1983 Supplement, section 588.02; repealing Minnesota Statutes 1982, sections 588.11; and 588.12.

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

Coleman and Clark, J., introduced:

H. F. No. 1961, A bill for an act relating to state departments and agencies; changing the composition and powers of the board of private detective and protective agent services; changing requirements for obtaining a license; amending Minnesota Statutes 1982, sections 326.33; 326.331; 326.332, subdivision 1; and 326.333; repealing Minnesota Statutes 1982, section 299C.01, subdivision 3.

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

Rodriguez, C.; Jensen and Dimler introduced:

H. F. No. 1962, A bill for an act relating to driver licenses; authorizing issuance of motorcycle operator's license; amending Minnesota Statutes 1982, section 171.06, subdivisions 2 and 2a; Minnesota Statutes 1983 Supplement, section 169.974, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 171.

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

Quinn, Valan and Jacobs introduced:

H. F. No. 1963, A bill for an act relating to uninsured motor vehicles; requiring an insurance certificate to be kept in vehicles and displayed on demand; allocating liability for dam-

ages upon transfer of ownership of a motor vehicle; providing a penalty; amending Minnesota Statutes 1982, section 168A.10, subdivision 5; proposing new law coded in Minnesota Statutes, chapter 65B.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Ellingson, Vanasek and Cohen introduced:

H. F. No. 1964, A bill for an act relating to trusts; eliminating procedures for confirming appointment of trustees; repealing Minnesota Statutes 1982, sections 501.33 to 501.38.

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

Ellingson introduced:

H. F. No. 1965, A bill for an act relating to notarial acts; providing for various notarial acts; enacting the Uniform Law on Notarial Acts; proposing new law coded in Minnesota Statutes, chapter 358; repealing Minnesota Statutes 1982, sections 358.32 to 358.40.

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

Greenfield introduced:

H. F. No. 1966, A bill for an act relating to public welfare; limiting medical assistance and general assistance reimbursements for chemical dependency treatment; extending temporary rulemaking authority for prospective payments for inpatient hospital services; expanding medical assistance eligibility for certain persons; eliminating the requirement that the commissioner seek a co-payment waiver for HMO enrollees under medical assistance; clarifying existing language; amending Minnesota Statutes 1982, sections 256B.17, as amended; 256B.19, subdivision 1; Minnesota Statutes 1983 Supplement, sections 256.968; 256.969, subdivision 6; and 256B.06, subdivision 1.

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



Greenfield, Brandl, Wynia and Clark, K., introduced:

H. F. No. 1967, A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.812, subdivisions 4 and 7, and by adding subdivisions; and 462.357, subdivisions 7, 8, and by adding subdivisions.

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

Kelly and Coleman introduced:

H. F. No. 1968, A bill for an act relating to crimes; authorizing the governor to appoint a victim of a crime to the sentencing guidelines commission; amending Minnesota Statutes 1982, section 244.09, subdivision 2; Minnesota Statutes 1983 Supplement, section 244.09, subdivision 1.

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

Carlson, D., introduced:

H. F. No. 1969, A bill for an act relating to Independent School District No. 573, Hinckley; authorizing the transfer of up to \$900,000 from the general fund to the capital expenditure fund for certain purposes; requiring local approval.

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

Osthoff, Scheid and Rice introduced:

H. F. No. 1970, A bill for an act relating to retirement; mandating a refund of certain contributions; appropriating money; amending Laws 1983, chapter 301, sections 225, subdivision 1; and 226, subdivision 1.

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

Welch; Rodosovich; Anderson, R., and Welle introduced:

H. F. No. 1971, A bill for an act relating to health; removing the requirement of application for a federal waiver for services for the mentally retarded; repealing Minnesota Statutes 1983 Supplement, sections 252.28, subdivision 4; 252.291; 256B.092; 256B.501, subdivisions 1, 4, and 10; 256B.503; and Laws 1983, chapter 312, article 9, sections 10 and 11.

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

Schreiber introduced:

H. F. No. 1972, A bill for an act relating to drivers licenses; raising fees for instruction permits; charging a fee to use a lower class license as an instruction permit; amending Minnesota Statutes 1982, sections 171.05, subdivision 1; and 171.06, subdivision 2.

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

Wenzel introduced:

H. F. No. 1973, A bill for an act relating to crimes; increasing the membership of the sentencing guidelines commission; eliminating the commission's authority to establish sentencing guidelines for certain violent crimes or to consider current correctional resources in establishing guidelines; providing a mandatory minimum sentence for certain crimes; increasing certain penalties; amending Minnesota Statutes 1982, sections 244.09, subdivisions 2, 5, and 6; and 609.346, subdivision 1; and Minnesota Statutes 1983 Supplement, sections 244.09, subdivision 1; 609.342; and 609.343.

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

Price; Vellenga; Rodriguez, F., and Voss introduced:

H. F. No. 1974, A bill for an act relating to energy; defining residence; establishing energy efficiency standards for public housing; amending Minnesota Statutes 1983 Supplement, section 116J.27, subdivision 2.

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

Mann, Jensen, Neuenschwander, Coleman and Rose introduced:

H. F. No. 1975, A bill for an act relating to transportation; allowing entire portions of former trunk highways to revert to counties under certain circumstances; amending Minnesota Statutes 1982, section 161.16, subdivision 4.

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

Wenzel introduced:

H. F. No. 1976, A bill for an act relating to agriculture; requiring agricultural land preservation planning and official controls outside of the metropolitan area; establishing agricultural land preservation and conservation awareness and assistance programs; allowing valuation of agricultural land on the basis of productivity and net earning capacity; creating a legislative commission on agricultural land preservation and conservation; authorizing a special levy; creating a cost-sharing account in the state treasury; imposing a penalty; appropriating money; amending Minnesota Statutes 1982, section 40.036, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 40A.

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

Brandl, Greenfield, Onnen, Sviggum and Wynia introduced:

H. F. No. 1977, A bill for an act relating to public welfare; clarifying the calculation of rates paid to health maintenance organizations; requiring the use of certain presentation materials; amending Minnesota Statutes 1982, sections 256.966, subdivision 2; and 256B.05, by adding a subdivision.

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

Segal, Quinn, Jensen, Rose and Jacobs introduced:

H. F. No. 1978, A bill for an act relating to transportation; exempting certain local motor carriers from compliance with the vehicle identification rule; amending Minnesota Statutes 1983 Supplement, section 221.031, subdivision 6.

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

Knuth, Coleman, Bergstrom, Shaver and Quinn introduced:

H. F. No. 1979, A bill for an act relating to unemployment compensation; providing for noncharging of certain volunteer firefighter benefits; amending Minnesota Statutes 1983 Supplement, section 268.07, subdivision 3.

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

Ogren; Carlson, D., and Zaffke introduced:

H. F. No. 1980, A bill for an act relating to health; repealing waived services for the mentally retarded; allowing for state hospital and nursing home closings; amending Laws 1983, chapter 312, article 9, section 11; proposing new law coded in Minnesota Statutes, chapter 246.

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

Riveness, Blatz, Norton, Vellenga and Himle introduced:

H. F. No. 1981, A bill for an act relating to energy; allowing port authorities to own and operate district heating systems; proposing new law coded in Minnesota Statutes, chapter 471.

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

Clawson introduced:

H. F. No. 1982, A bill for an act relating to towns; permitting towns to make charitable contributions; amending Minnesota Statutes 1982, section 365.10.

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

Ellingson introduced:

H. F. No. 1983, A bill for an act relating to probate; providing a procedure for succession without administration; enacting additions to the Uniform Probate Code; proposing new law coded in Minnesota Statutes, chapter 524.

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

Ellingson introduced:

H. F. No. 1984, A bill for an act relating to probate; adopting provisions of the uniform probate code relating to intestate succession, spouse's elective share, omitted spouses and children, and certain allowances and exempt property; proposing new law coded in Minnesota Statutes, chapter 524; repealing Minnesota Statutes 1982, sections 525.13; 525.14; 525.145; 525.15; 525.151; 525.16; 525.17; 525.171 to 525.202; and 525.212 to 525.216.

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

Hokr, Wynia, Olsen, and Thiede introduced:

H. F. No. 1985, A bill for an act relating to occupations and professions; regulating the licensing of salons for estheticians; amending Minnesota Statutes 1982, section 155A.08, subdivision 2.

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

Jennings introduced:

H. F. No. 1986, A bill for an act relating to claims; appropriating money to pay for damages to town roads in the town of Antrim in Watonwan County.

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

Greenfield, Reif, Ludeman, Murphy and Carlson, L., introduced:

H. F. No. 1987, A bill for an act relating to public employees; providing standards for certain disciplinary actions; amending Minnesota Statutes 1982, section 626.557, by adding a subdivision.

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

Price and Beard introduced:

H. F. No. 1988, A bill for an act relating to Independent School District Number 833, South Washington County; authorizing the transfer of \$500,000 from the capital outlay fund to the general fund; requiring local approval.

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

Anderson, G., introduced:

H. F. No. 1989, A bill for an act relating to marriage dissolution; regulating child support payments; amending Minnesota Statutes 1983 Supplement, section 518.551, subdivision 5.

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

Clawson; Rodriguez, F.; Metzen and Wigley introduced:

H. F. No. 1990, A bill for an act relating to retirement; changing the early retirement reduction factor for judges; amending Minnesota Statutes 1982, section 490.124, subdivision 3.

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

Knuth, Rodosovich, Norton, Gutknecht and Knickerbocker introduced:

H. F. No. 1991, A bill for an act relating to government operations; regulating public employee leave of absences; providing for task force member's compensation; providing for civil service exams for handicapped persons; authorizing the commissioner of employee relations to negotiate insurance premium rates; providing for appeals of disciplinary actions; providing for unclassified positions; amending Minnesota Statutes 1982, sections 15.014, subdivision 2; 15.0593; 43A.08, subdivision 1; 43A.33, subdivisions 1 and 3; Minnesota Statutes 1983 Supplement, sections 43A.08, subdivision 1a; 43A.10, subdivision 8; 43A.23, subdivision 1; and 116L.03, subdivision 6; repealing Minnesota Statutes 1982, section 15.62.

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

Rice, Sieben, Cohen, Rose and Bishop introduced:

H. F. No. 1992, A bill for an act relating to economic development; establishing a Minnesota convention facility commission; requiring the commission to report to the governor and legislature a proposal for the construction, operation, promotion, and financing of a Minnesota convention facility; appropriating money.

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

Clawson, Rodriguez, F.; Metzen and Wigley introduced:

H. F. No. 1993, A bill for an act relating to retirement; including county attorneys and unclassified appointed employees in the state unclassified employees plan; transferring contributions; amending Minnesota Statutes 1983 Supplement, section 352D.02, subdivision 1.

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

Kelly, Bishop, Vanasek, Cohen and Clawson introduced:

H. F. No. 1994, A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge; proposing new law coded as Minnesota Statutes, chapter 480B.

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

Metzen introduced:

H. F. No. 1995, A bill for an act relating to retirement; public employees retirement association; increasing annuity formulas for members not receiving joint and survivor annuities; instituting a rule of 85; amending Minnesota Statutes 1982, sections 353.29, subdivision 3; and 353.30, subdivision 1a.

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

Gustafson, Murphy and Munger introduced:

H. F. No. 1996, A bill for an act relating to the medical assistance program; increasing the personal needs allowance; amending Minnesota Statutes 1982, section 256B.35, subdivision 1.

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

Gruenes, Begich, Beard, Elioff and Kvam introduced:

H. F. No. 1997, A bill for an act relating to public employees; defining the term "public employee" for purposes of the public employee labor relations act; amending Minnesota Statutes 1983 Supplement, section 179.63, subdivision 7.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Gustafson and Munger introduced:

H. F. No. 1998, A bill for an act relating to commerce; excluding certain securities and commodities agreements from plain language contract regulation; amending Minnesota Statutes 1983 Supplement, section 325G.30, subdivision 3.

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

Munger, Gustafson and Boo introduced:

H. F. No. 1999, A bill for an act relating to the city of Duluth; authorizing the establishment of an energy conservation program for dwellings as a part of its municipal utility system and the issuance of municipal revenue bonds for that purpose; amending Laws 1981, chapter 223, section 2.

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



Gustafson and Boo introduced:

H. F. No. 2000, A bill for an act relating to the city of Duluth; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth.

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

Swanson, Welch, Begich, Blatz and Kvam introduced:

H. F. No. 2001, A bill for an act relating to taxation; sales; exempting sales of certain adaptive equipment for the deaf; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

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

Kelly and Tomlinson introduced:

H. F. No. 2002, A bill for an act relating to mortgages; clarifying mortgage registry tax provisions on mortgages securing lines of credit; providing for priority of recording certain mortgages; amending Minnesota Statutes 1982, section 287.05, by adding subdivisions; proposing new law coded in Minnesota Statutes, chapters 507 and 508.

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

Kelly, Vellenga, Metzen and Valan introduced:

H. F. No. 2003, A bill for an act relating to crimes; appropriating money to the commissioner of public safety for the purpose of making grants to local officials for the investigation of cross-jurisdictional criminal activity.

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

Price, Quinn, Beard and Hoffman introduced:

H. F. No. 2004, A bill for an act relating to health; requiring the commissioner of health to publish information about hazardous substances; proposing new law coded in Minnesota Statutes, chapter 144.

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

Schafer introduced:

H. F. No. 2005, A bill for an act relating to public employees; regulating teacher labor relations; amending Minnesota Statutes 1982, sections 179.64, subdivisions 1a and 1b; and 179.69, subdivisions 1 and 3; repealing Minnesota Statutes 1982, section 179.691.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kelly and Sieben introduced:

H. F. No. 2006, A bill for an act relating to game and fish; authorizing reciprocity with Wisconsin in the purchase and sale of annual hunting and fishing licenses; proposing new law coded in Minnesota Statutes, chapter 98.

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

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Clark, K.; Voss and Staten introduced:

H. A. No. 52, A proposal to study potential state strategies to preserve affordable low income housing.

The advisory was referred to the Committee on Energy.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned:

House Concurrent Resolution No. 8, A house concurrent resolution relating to adjournment of the House of Representatives for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 19, A senate concurrent resolution relating to adjournment for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

## SUSPENSION OF RULES

Eken moved that the rules be so far suspended that Senate Concurrent Resolution No. 19 be now considered and be placed upon its adoption. The motion prevailed.

## SENATE CONCURRENT RESOLUTION NO. 19

A senate concurrent resolution relating to adjournment for more than three days.

*Be It Resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring therein:

1. Upon its adjournment on Wednesday, March 21, 1984, the Senate may set its next day of meeting for Monday, March 26, 1984.

2. Upon its adjournment on Wednesday, March 21, 1984, the House of Representatives may set its next day of meeting for Monday, March 26, 1984.

3. Pursuant to the Minnesota Constitution, Article IV, Section 12, the Senate and the House of Representatives each consent to the adjournment of the other for more than three days.

Eken moved that Senate Concurrent Resolution No. 19 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 19 was adopted.

### CONSENT CALENDAR

H. F. No. 1456, A bill for an act relating to Otter Tail county; authorizing the board of county commissioners to sell certain real property.

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

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Pauly	Stadum
Anderson, G.	Erickson	Krueger	Peterson	Staten
Anderson, R.	Evans	Kvam	Piepho	Swanson
Battaglia	Findlay	Larsen	Piper	Thiede
Beard	Fjoslien	Long	Price	Tomlinson
Begich	Forsythe	Ludeman	Quinn	Tunheim
Bennett	Frerichs	Mann	Quist	Uphus
Bergstrom	Graba	Marsh	Redalen	Valan
Bishop	Greenfield	McDonald	Reif	Valento
Blatz	Gruenes	McEachern	Rice	Vanasek
Boo	Halberg	McKasy	Riveness	Vellenga
Brinkman	Haukoos	Metzen	Rodosovich	Voss
Burger	Heinitz	Minne	Rodriguez, C.	Waltman
Carlson, L.	Himle	Munger	Rodriguez, F.	Welch
Clark, J.	Hoffman	Murphy	Sarna	Welker
Clark, K.	Hokr	Nelson, D.	Schafer	Welle
Clawson	Jacobs	Norton	Scheid	Wenzel
Cohen	Jennings	O'Connor	Schreiber	Wigley
Coleman	Jensen	Ogren	Seaberg	Wynia
Dempsey	Johnson	Olsen	Segal	Speaker Sieben
DenOuden	Kalis	Omann	Shea	
Dimler	Kelly	Onnen	Sherman	
Eken	Knickerbocker	Osthoff	Skoglund	
Elioff	Knuth	Otis	Solberg	

The bill was passed and its title agreed to.

H. F. No. 1485, A bill for an act relating to towns; providing for the election and term of office for the town clerk and treasurer; amending Minnesota Statutes 1982, section 367.03, 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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Pauly	Sparby
Anderson, G.	Erickson	Kostohryz	Peterson	Stadum
Anderson, R.	Evans	Krueger	Piepho	Staten
Battaglia	Findlay	Kvam	Piper	Swanson
Beard	Fjoslien	Larsen	Price	Thiede
Begich	Forsythe	Long	Quinn	Tomlinson
Bennett	Frerichs	Ludeman	Quist	Tunheim
Bergstrom	Graba	Mann	Redalen	Uphus
Bishop	Greenfield	Marsh	Reif	Valan
Blatz	Gruenes	McDonald	Rice	Valento
Boo	Gutknecht	McKasy	Riveness	Vanasek
Brinkman	Halberg	Metzen	Rodosovich	Vellenga
Burger	Haukoos	Minne	Rodriguez, C.	Voss
Carlson, L.	Heinitz	Munger	Rodriguez, F.	Waltman
Clark, J.	Himle	Murphy	Sarna	Welch
Clark, K.	Hoffman	Nelson, D.	Schafer	Welker
Clawson	Hokr	Norton	Scheid	Welle
Cohen	Jacobs	O'Connor	Schreiber	Wenzel
Coleman	Jennings	Ogren	Seaberg	Wigley
Dempsey	Jensen	Olsen	Segal	Wynia
DenOuden	Johnson	Omann	Shea	Speaker Sieben
Dimler	Kalis	Onnen	Sherman	
Eken	Kelly	Osthoff	Skoglund	
Elioff	Knickerbocker	Otis	Solberg	

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 1491, A bill for an act relating to highway traffic regulations; authorizing an increase in driver improvement clinic fees; amending Minnesota Statutes 1982, section 169.972, 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 5 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Burger	Eken	Gutknecht	Kalis
Anderson, G.	Carlson, D.	Elioff	Halberg	Kelly
Anderson, R.	Carlson, L.	Ellingson	Heinitz	Knickerbocker
Battaglia	Clark, J.	Evans	Himle	Knuth
Beard	Clark, K.	Findlay	Hoffman	Kostohryz
Bennett	Clawson	Fjoslien	Hokr	Krueger
Bergstrom	Cohen	Forsythe	Jacobs	Kvam
Bishop	Coleman	Frerichs	Jennings	Larsen
Blatz	Dempsey	Graba	Jensen	Long
Boo	DenOuden	Greenfield	Johnson	Ludeman
Brinkman	Dimler	Gruenes	Kahn	Mann

Marsh	Omman	Reif	Shea	Valan
McEachern	Onnen	Rice	Sherman	Valento
McKasy	Osthoff	Riveness	Skogliund	Vanasek
Metzen	Otis	Rodosovich	Solberg	Voss
Minne	Pauly	Rodriguez, C.	Sparby	Waltman
Munger	Peterson	Rodriguez, F.	Stadum	Welch
Murphy	Piepho	St. Onge	Staten	Welle
Nelson, D.	Piper	Sarna	Swanson	Wenzel
Norton	Price	Scheid	Thiede	Wynia
O'Connor	Quinn	Schreiber	Tomlinson	Speaker Sieben
Ogren	Quist	Seaberg	Tunheim	
Olsen	Redalen	Segal	Uphus	

Those who voted in the negative were:

Erickson      Haukoos      McDonald      Schafer      Welker

The bill was passed and its title agreed to.

### GENERAL ORDERS

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

#### REPORT OF THE COMMITTEE OF THE WHOLE

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

H. F. No. 404 which it recommended to pass.

H. F. Nos. 432 and 1279 which it recommended progress retaining their places on General Orders.

S. F. No. 214, the unofficial engrossment, which it recommended to pass with the following amendments:

Offered by Seaberg:

Page 1, delete lines 18 to 23

Page 1, line 24, delete "(4)" and "who"

Page 1, line 25, delete the semicolon

Page 1, line 26, delete "except that the" and insert "with a"

Page 2, line 1, delete "for a violator described in clause (4) is" and insert "of"

Page 2, line 1, delete "*If the*"

Page 2, delete line 2

Page 2, line 3, delete "(1), (2), (3) or (4)" and insert "*For all other violations*"

Delete Section 2

Amend the title:

Page 1, line 4, delete "authorizing the issuance of"

Page 1, line 5, delete "conditional driver's license;"

Page 1, line 6, delete "sections" insert "section"

Page 1, line 7, delete "; and 171.09, by adding a subdivision"

Offered by Rodosovich:

As previously amended, page 1, delete line 17

Page 1, delete lines 24, 25 and 26

Page 2, delete line 1

Page 2, line 3, delete "*For all other violations*"

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

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

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

Frerichs moved to amend S. F. No. 214, the unofficial engrossment, as amended, as follows:

Page 2, after line 30, insert:

"Sec. 2. Minnesota Statutes 1982, section 169.685, subdivision 4, is amended to read:

Subd. 4. Proof of the use or failure to use (SEAT BELTS OR) a child passenger restraint system as described in subdivision 5, or proof of the installation or failure of installation or

(SEAT BELTS OR) a child passenger restraint system as described in subdivision 5 shall not be admissible in evidence in any litigation involving personal injuries or property damage resulting from the use or operation of any motor vehicle.”

Renumber the sections as necessary

Amend the title accordingly

The question was taken on the Frerichs amendment and the roll was called. There were 26 yeas and 92 nays as follows:

Those who voted in the affirmative were:

Bennett	Gutknecht	Ludeman	Schafer	Wigley
Carlson, D.	Heinitz	Marsh	Thiede	Zaffke
Dempsey	Himle	McDonald	Uphus	
DenOuden	Jennings	O'Connor	Valento	
Findlay	Johnson	Omann	Waltman	
Frerichs	Kvam	Piepho	Welker	

Those who voted in the negative were:

Anderson, B.	Eken	Knickerbocker	Peterson	Skoglund
Anderson, G.	Elioff	Knuth	Piper	Solberg
Anderson, R.	Ellingson	Kostohryz	Price	Sparby
Battaglia	Erickson	Krueger	Quist	Stadum
Beard	Evans	Larsen	Reif	Staten
Begich	Fjoslien	Long	Rice	Swanson
Bergstrom	Forsythe	Mann	Riveness	Tomlinson
Bishop	Graba	McEachern	Rodosovich	Tunheim
Blatz	Greenfield	McKasy	Rodriguez, C.	Valan
Boo	Gruenes	Metzen	Rodriguez, F.	Vanasek
Brinkman	Halberg	Minne	St. Onge	Voss
Burger	Haukoos	Munger	Sarna	Welch
Carlson, L.	Heap	Murphy	Scheid	Welle
Clark, J.	Hoffman	Nelson, D.	Schoenfeld	Wenzel
Clark, K.	Hokr	Ogren	Schreiber	Wynia
Clawson	Jacobs	Olson	Seaberg	Spcaker Steben
Cohen	Jensen	Onnen	Segal	
Coleman	Kahn	Otis	Shaver	
Dimler	Kalis	Pauly	Shea	

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

The question was taken on the motion to recommend passage of S. F. No. 214, as amended, and the roll was called. There were 61 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Clark, K.	Graba	Kelly	Munger
Battaglia	Cohen	Greenfield	Knickerbocker	Murphy
Bennett	Coleman	Halberg	Knuth	Nelson, D.
Bergstrom	Dimler	Hoffman	Larsen	Neuenschwander
Bishop	Eken	Jensen	Long	Norton
Boo	Ellingson	Kahn	Mann	Olson
Clark, J.	Forsythe	Kalis	McKasy	Otis



Pauly	Rice	Seaberg	Solberg	Vanasek
Peterson	Rodosovich	Segal	Staten	Vellenga
Piper	Rodriguez, C.	Shaver	Tomlinson	Welch
Price	Rodriguez, F.	Shea	Tunheim	Wynia
Quist	Schoenfeld	Skoglund	Valan	Speaker Sieben
Reif				

Those who voted in the negative were:

Anderson, R.	Evans	Kostohryz	Onnen	Sviggum
Beard	Findlay	Krueger	Piepho	Swanson
Begich	Fjoslien	Kvam	Quinn	Thiede
Blatz	Fjerichs	Ludeman	Redalen	Uphus
Brinkman	Gruenes	Marsh	Riveness	Valento
Burger	Haukoos	McDonald	St. Onge	Voss
Carlson, D.	Heap	McEachern	Sarna	Waltman
Carlson, L.	Heinitz	Metzen	Schafer	Welker
Dempsey	Hokr	Minne	Scheid	Welle
DenOuden	Jacobs	O'Connor	Schreiber	Wenzel
Elioff	Jennings	Ogren	Sherman	Wigley
Erickson	Johnson	Omann	Sparby	Zaifke

The motion prevailed.

## MOTIONS AND RESOLUTIONS

O'Connor moved that H. F. No. 1537 be recalled from the Committee on Judiciary and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Brinkman moved that H. F. No. 1652 be recalled from the Committee on Judiciary and be re-referred to the Committee on Financial Institutions and Insurance. The motion prevailed.

Jacobs moved that H. F. No. 1739 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Appropriations. The motion prevailed.

Clark, J., moved that the name of Clark, J., be stricken and the name of Clawson be added as chief author on H. F. No. 726. The motion prevailed.

Erickson moved that the name of Battaglia be shown as chief author and the name of Erickson be shown as second author on H. F. No. 896. The motion prevailed.

DenOuden moved that the name of Welle be added as an author on H. F. No. 1330. The motion prevailed.

Clark, J., moved that the name of Minne be shown as chief author and the name of Clark, J., be shown as second author on H. F. No. 1353. The motion prevailed.

Blatz moved that the names of Begich, Valento, Beard and Reif be added as authors on H. F. No. 1405. The motion prevailed.

O'Connor moved that the name of Findlay be added as an author on H. F. No. 1416. The motion prevailed.

Findlay moved that the name of Redalen be added as an author on H. F. No. 1442. The motion prevailed.

Wenzel moved that the name of Zaffke be added as an author on H. F. No. 1496. The motion prevailed.

Uphus moved that the name of Findlay be added as an author on H. F. No. 1543. The motion prevailed.

Rodriguez, F., moved that the names of Metzen, Wigley and Sparby be added as authors on H. F. No. 1549. The motion prevailed.

Rodriguez, F., moved that the name of Wigley be added as an author on H. F. No. 1550. The motion prevailed.

Greenfield moved that the names of Graba and Krueger be added as authors on H. F. No. 1588. The motion prevailed.

Anderson, B., moved that the name of Welle be added as an author on H. F. No. 1601. The motion prevailed.

Hoffman moved that the name of Beard be added as an author on H. F. No. 1643. The motion prevailed.

Voss moved that the name of Price be added as an author on H. F. No. 1670. The motion prevailed.

Dempsey moved that the name of Findlay be added as an author on H. F. No. 1736. The motion prevailed.

Brinkman moved that the name of Uphus be added as an author on H. F. No. 1761. The motion prevailed.

Schafer moved that the name of McDonald be added as an author on H. F. No. 1870. The motion prevailed.

Zaffke moved that the names of Ogren and Solberg be added as authors on H. F. No. 1881. The motion prevailed.

Wenzel moved that the names of Krueger, Thiede and Evans be added as authors on H. F. No. 1899. The motion prevailed.

Wenzel moved that the names of Krueger, Thiede and Evans be added as authors on H. F. No. 1901. The motion prevailed.

Gutknecht moved that the name of McDonald be added as an author on H. F. No. 1904. The motion prevailed.

Solberg moved that the names of Munger and Thiede be added as authors on H. F. No. 1909. The motion prevailed.

Wenzel moved that the names of Krueger, McDonald, Dimler and Graba be added as authors on H. F. No. 1916. The motion prevailed.

Wenzel moved that the names of Schreiber and Redalen be added as authors on H. F. No. 1976. The motion prevailed.

Clawson moved that H. F. No. 1892 be recalled from the Committee on Judiciary and be re-referred to the Committee on Health and Welfare. The motion prevailed.

Quinn moved that the name of Riveness be added as an author on H. F. No. 1963. The motion prevailed.

Voss moved that H. F. No. 70 be returned to its author. The motion prevailed.

Voss moved that H. F. No. 1731 be returned to its author. The motion prevailed.

Jennings moved that H. F. No. 1593 be recalled from the Committee on Taxes and pursuant to House Rule 1.15 be given its second reading and be advanced to General Orders.

A roll call was requested and properly seconded.

Eken moved that the Jennings motion be laid on the table.

A roll call was requested and properly seconded.

#### POINT OF ORDER

Jennings raised a point of order pursuant to section 491, paragraph 3 of "Mason's Manual of Legislative Procedure" that the Eken motion was out of order. The Speaker deferred his decision pursuant to section 244 of "Mason's Manual of Legislative Procedure".

## MOTIONS AND RESOLUTIONS, Continued

Clark, K., moved that the name of St. Onge be added as an author on H. F. No. 1502. The motion prevailed.

Segal moved that the name of Olsen be added as an author on H. F. No. 1919. The motion prevailed.

Kelly moved that the names of Price, O'Connor and Osthoff be added as authors on H. F. No. 2006. The motion prevailed.

Erickson introduced:

House Resolution No. 18, A house resolution congratulating Rose Dell Mutual Insurance Company for a century of service to the farming communities in southwest Minnesota.

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

## ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, March 21, 1984. 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., Wednesday, March 21, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

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SIXTY-FIFTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 19, 1984

The Senate met on Monday, March 19, 1984, which was the Sixty-fifth Legislative Day of the Seventy-third Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.



## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SIXTY-SIXTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 21, 1984

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 Sister Frances Donnelly, Sister of Charity of the Blessed Virgin Mary, St. Paul, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Evans	Kostohryz	Pauly	Sparby
Anderson, G.	Findlay	Krueger	Peterson	Stadum
Anderson, R.	Fjoslien	Kvaun	Piepho	Staten
Battaglia	Forsythe	Larsen	Piper	Swiggum
Beard	Frerichs	Levi	Price	Swanson
Begich	Graba	Long	Quinn	Thiede
Bennett	Greenfield	Ludeman	Quist	Tomlinson
Bergstrom	Gruenes	Mann	Redalen	Tunheim
Bishop	Gustafson	Marsh	Reif	Uphus
Blatz	Gutknecht	McDonald	Rice	Valan
Boo	Halberg	McEachern	Riveness	Valento
Brandl	Haukoos	McKasy	Rodosovich	Vanasek
Brinkman	Heap	Metzen	Rodriguez, F.	Vellienga
Burger	Heinitz	Minne	Rose	Voss
Carlson, D.	Himle	Munger	St. Onge	Waltman
Carlson, L.	Hoberg	Murphy	Sarna	Welch
Clark, J.	Hoffman	Nelson, D.	Schafer	Welker
Clark, K.	Hokr	Nelson, K.	Scheid	Welle
Clawson	Jacobs	Neuenschwander	Schoenfeld	Wenzel
Cohen	Jennings	Norton	Schreiber	Wigley
Coleman	Jensen	O'Connor	Seaberg	Wynia
Dempsey	Johnson	Ogren	Segal	Zaffke
DenOuden	Kahn	Olson	Shaver	Speaker Sieben
Dimler	Kalis	Omann	Shea	
Eken	Kelly	Onnen	Simoneau	
Elioff	Knickerbocker	Osthoff	Skoglund	
Ellingson	Knuth	Otis	Solberg	

A quorum was present.

Rodriguez, C., and Sherman were excused.

Erickson was excused until 3:00 p.m.



The Chief Clerk proceeded to read the Journals of the preceding days. Kvam 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. 735, 1504, 1760, 1784, 1381, 1486, 1611, 1503, 1428, 1382, 1347, and 1257 and S. F. No. 214 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

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

H. F. No. 158, A bill for an act proposing an amendment to the Minnesota Constitution; repealing article XIII, section 5 which prohibits lotteries.

Reported the same back with the following amendments:

Page 1, line 10, delete everything after "will" and insert "read as follows:

Sec. 5. The legislature shall not authorize any lottery or the sale of lottery tickets, *other than lotteries operated by the state, or by nonprofit organizations for charitable purposes as those terms are defined by law.*"

Page 1, line 14, delete "repeal the"

Page 1, delete line 15 and insert "*permit the legislature to authorize lotteries operated by the state, or by nonprofit organizations for charitable purposes as defined by law?*"

Amend the title as follows:

Page 1, line 2, delete the semicolon and insert a comma

Page 1, delete lines 3 and 4 and insert "article XIII, section 5; allowing the legislature to authorize certain lotteries."

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.

Norton from the Committee on Governmental Operations to which was referred :

H. F. No. 560, A bill for an act relating to Cook County; permitting the sale of certain land.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred :

H. F. No. 1373, A bill for an act relating to commerce; requiring state agencies to make prompt payment for the purchase or lease of goods and services; requiring agencies to pay interest penalties on late payments; requiring an annual report to the legislature on agency payment records; proposing new law coded in Minnesota Statutes, chapter 16.

Reported the same back with the following amendments :

Delete everything after the enacting clause and insert :

**"Section 1. [16A.124] [PROMPT PAYMENT OF STATE AGENCY BILLS REQUIRED.]**

*Subdivision 1. [DEFINITIONS.] For the purposes of section 1, the following terms have the meanings here given them.*

(a) *"Commissioner" means the commissioner of finance.*

(b) *"State agency" has the meaning assigned to it in section 16.011.*

*Subd. 2. [COMMISSIONER SUPERVISION.] The commissioner shall exercise constant supervision over state agencies to insure the prompt payment of vendor obligations.*

*Subd. 3. [PAYMENT REQUIRED.] State agencies must pay each valid vendor obligation so that the vendor receives payment within the vendor's early payment discount period. If there is no early payment discount period, the state agency must pay the vendor within 30 days following the receipt of the invoice for the completed delivery of the product or service.*

*Subd. 4. [INVOICE ERRORS.] If an invoice is incorrect, defective, or otherwise improper, the agency must notify the*

vendor within ten days of discovering the error. Upon receiving a corrected invoice, the agency must pay the bill within the time limitation contained in subdivision 3.

**Subd. 5. [PAYMENT OF INTEREST ON LATE PAYMENTS REQUIRED.]** (a) A state agency shall pay interest to a vendor for undisputed billings when the agency has not paid the billing within 30 days following receipt of the invoice, merchandise, or service whichever is later. Before any interest payment is made, the vendor must invoice the state agency for such interest.

(b) The rate of interest paid by the agency on undisputed bills not paid within 30 days shall be one percent per month or any part thereof.

(c) All interest penalties and collection costs must be paid from the agency's current operating budget. No agency may seek to increase its appropriation for the purpose of obtaining funds to pay interest penalties or collection costs.

(d) Any vendor who prevails in a civil action to collect interest penalties from a state agency shall be awarded its costs and disbursements, including attorney's fees, incurred in bringing the actions.

(e) No interest penalties may accrue against an agency that delays payment of a bill due to a disagreement with the vendor; provided, that the dispute must be settled within 30 days after the bill became overdue. Upon the resolution of the dispute, the agency must pay the vendor accrued interest on all proper invoices for which payment was not received within the applicable time limit contained in subdivision 3.

(f) The minimum monthly interest penalty payment that a state agency shall pay to a vendor for any one overdue bill in excess of \$100 is \$10. For any monthly interest penalty payment that is less than \$10 for overdue bills in excess of \$100, the state agency shall be required to pay a monthly interest penalty payment of \$10.

**Subd. 6. [AUTHORITY TO REDUCE AGENCY ALLOTMENT.]** The commissioner shall have the authority to reduce the allotment of any state agency by the amount of any vendor obligations that are paid later than 30 days following the receipt of the invoice for completed delivery of the products or services.

**Subd. 7. [REPORT TO LEGISLATURE.]** The commissioner shall report to the legislature each year summarizing the state's payment record for the preceding year. The report shall include the number and dollar amount of late payments made by each agency, the amount of interest penalties and collection costs

*paid, and the specific steps being taken to reduce the incidence of late payments in the future.*

*Subd. 8. [APPLICABILITY.] Subdivisions 1 to 7 apply to all agency purchases, leases, rentals, and contracts for services, including construction and remodeling contracts.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 9, is amended to read:

Subd. 9. [CLASS 4A, 4B, 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 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.

(3) Commercial and industrial property, except as provided in this subdivision, shall constitute class 4c and shall be valued and assessed at (34) 29 percent of the first \$50,000 of market value, 38 percent of the next \$50,000 of market value, and 43 percent 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 (34) 29 and 38 percent assessment ratios, and in the case of other commercial or industrial property owned by one person or entity, only one parcel in each county shall qualify for the (34) 29 and 38 percent assessment ratios.

(4) Employment property defined in section 273.1313, during the period provided in section 273.1313, 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, except that for employment property located in an enterprise zone designated pursuant to section 273.1312, subdivision 4, paragraph (c), clause (3), the first \$50,000 of market value shall be valued and assessed at 31.5 percent and the remainder shall be assessed and valued at 38.5 percent, unless the governing body of the city designated as an enterprise zone determines that a specific parcel shall be assessed pursuant to the first clause of this sentence. The governing body may provide for assessment under the first clause of the preceding sentence only for property which is located in an area which has been designated by the governing body for the receipt of tax reductions authorized by section 273.1314, subdivision 9, paragraph (a).

Sec. 3. [273.1393] [REIMBURSEMENT; REDUCED COMMERCIAL-INDUSTRIAL ASSESSMENTS.]

*Subdivision 1. [REIMBURSEMENT AMOUNT.] (a) Each taxing jurisdiction shall receive reimbursement for the*

*difference between the tax determined pursuant to clause (b) and the tax actually payable by the owner of commercial or industrial property which qualifies for assessment at less than 43 percent of market value pursuant to section 273.13, subdivision 9, clause (3).*

*(b) The county auditor shall calculate the tax on the property described in clause (a) in the same manner as the property would be assessed if it were assessed at 34 percent of the first \$50,000 of market value and 43 percent of the remainder.*

*(c) The difference between the amount calculated pursuant to clause (b) and the amount of tax payable by the owner on property described in clause (a) shall be certified by the county auditor and reported to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner by section 275.29. The commissioner shall make equal payments of the reimbursement amounts at the times specified by section 273.13, subdivision 15a.*

*(d) This section shall not apply to the assessed value of any property to the extent included in the captured assessed value of a tax increment financing district.*

*Subd. 2. [COMPUTATION OF MILL RATES.] When computing mill rates pursuant to sections 275.08 and 275.09, the county auditor shall regard property described in subdivision 1, clause (a), as if it were valued at the classification ratios specified in subdivision 1, clause (b).*

*Subd. 3. [APPROPRIATION.] An amount sufficient to make the payments required by this section is appropriated to the commissioner of revenue.*

#### Sec. 4. [EFFECTIVE DATE.]

*Section 1 is effective July 1, 1984, and applies to all payments due on or after that date. Sections 2 and 3 are effective for taxes payable in 1985 and thereafter and shall provide for payment of reimbursements beginning in 1985."*

Delete the title and insert:

*"A bill for an act relating to commerce; requiring state agencies to make prompt payment for the purchase or lease of goods and services; requiring agencies to pay interest penalties on late payments; reducing the classification ratio for commercial-industrial property; providing reimbursement to local units of government; appropriating money; amending Minnesota Statutes 1983 Supplement, section 273.13, subdivision 9; proposing new law coded in Minnesota Statutes, chapters 16A and 273."*

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1376, A bill for an act establishing an agricultural resource loan guaranty program, board, and fund, and the terms of guaranties by the state of project loans in the program; appropriating money, taxes, tax increments, and other governmental charges; authorizing the issuance of state bonds; amending Minnesota Statutes 1982, sections 290.01, by adding a subdivision; 297A.44, subdivision 1; 362A.01, subdivision 1; and 362A.05; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapter 362A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [41A.01] [PURPOSE.]

*Sections 1 to 6 provide a framework for an agricultural resource energy loan guaranty program, the purposes of which are to further the development of the state's agricultural resources, improve the market for its agricultural products, and increase the use of chemicals including fuel derived from renewable agricultural sources and having superior qualities for controlling pollution and conserving energy. Public debt is authorized by the constitution to be incurred for developing agricultural resources by extending credit on real estate security. The program contemplates the use of this power not to finance projects of the kind described herein, but to provide financial guaranties for a portion of the cost of viable projects to the extent necessary to enable qualified developers and operators to secure private financing which would not otherwise be available. All credit advanced pursuant to loan guaranty commitments is to be secured by subordination of the state to mortgage security and other security interests granted to the private lender, in proportion to the amount advanced by the state. A loan guaranty board is established to investigate the feasibility of each project, its conformity to the above policies and to environmental standards, the qualifications of the owners, operators, and lenders, and the nature and extent of the security, prior to commitment, and to secure maximum financial participation by private persons, not supported by the guaranty, to assure that in these respects each project satisfies and will continue to satisfy criteria which are adequate in the judgment of the board.*

Sec. 2. [41A.02] [DEFINITIONS; ACTIONS BY THE STATE.]

*Subdivision 1. [SCOPE.] The definition of each term given in this section applies whenever the term is used in sections 1 to 7.*

*Subd. 2. [AGRICULTURAL RESOURCE.] "Agricultural resource" means any organic matter which is available on a renewable basis from agricultural processes, including agricultural crop, animal, and wood production, waste, and residues.*

*Subd. 3. [AGRICULTURAL RESOURCE LOAN GUARANTY BOARD; BOARD.] "Agricultural resource loan guaranty board" or "board" means the commissioner of finance as chairman, the commissioner of agriculture, the commissioner of commerce, and the director of the pollution control agency.*

*Subd. 4. [AGRICULTURAL RESOURCE LOAN GUARANTY FUND; GUARANTY FUND.] "Agricultural resource loan guaranty fund" or "guaranty fund" means the fund created by section 5.*

*Subd. 5. [AGRICULTURAL RESOURCE LOAN GUARANTY PROGRAM; PROGRAM.] "Agricultural resource loan guaranty program" or "program" includes all projects and loan guaranties approved pursuant to sections 3 and 4.*

*Subd. 6. [AGRICULTURAL RESOURCE ENERGY PROJECT; PROJECT.] "Agricultural resource energy project" or "project" means any facility, or portion of a facility, located in the state which is operated or to be operated primarily for the production from agricultural resources of gaseous, liquid, or solid fuel and chemicals, or other marketable products. A project includes a facility or portion of a facility for mixing or producing substances to be mixed with other substances for use as a fuel or as a substitute for petroleum or petrochemical feedstocks.*

*Subd. 7. [APPLICANT.] "Applicant" means any rural development finance authority organized, or any county exercising the powers of such an authority, pursuant to chapter 362A, which applies to the state for approval of a guaranty of a loan to a borrower for a project.*

*Subd. 8. [BORROWER.] "Borrower" means any applicant or any private individual, company, cooperative, partnership, corporation, association, consortium, or other entity organized for a common business purpose, which is obligated or to be obligated to pay a guaranteed loan.*

*Subd. 9. [CONSTRUCTION.] "Construction" means construction of a new agricultural resource project, or conversion*

of a facility to such a project, or expansion or improvement of a project to increase its capacity or efficiency. "Construction" includes acquisition of land, easements, buildings, structures, improvements, and equipment and machinery for use in or at the site of a project or on easements adjacent to the project site.

Subd. 10. [COST.] "Cost" of a project means the sum of all obligations paid or to be paid or incurred by the borrower which are reasonably required for the construction and completion of the project, including but not limited to (i) surveys, estimates, plans, specifications, supervision of construction, and other engineering and architectural service; (ii) payments under construction contracts and for payment and performance bonds; (iii) purchase and installation of equipment and machinery; (iv) recording, filing, permit, legal, financial, underwriting, placement, commitment, publication, advertising, and other charges, fees, and expenses incurred for establishing title, mortgage liens, and security interests with respect to the project, for securing permits for construction and approval of the loan guaranty, for establishing the terms of the loan and underlying security agreements, and for offering, selling, or placing with investors and printing and delivering the obligations evidencing the loan; and (v) interest, discount, fees, and expenses accruing with respect to the loan, and taxes and other government charges payable with respect to the project, during construction.

Subd. 11. [LENDER.] "Lender" means any holder or holders of bonds, notes, or other obligations evidencing a guaranteed loan, any trustee representing those holders, and any investment or commercial banking institution, savings and loan institution, insurance company, investment company, or other financial institution or institutional investor making, purchasing, or participating in a loan or any part of a loan.

Subd. 12. [LOAN.] "Loan" means any obligation to repay money borrowed to finance the construction of a project or to refund or refinance such an obligation.

Subd. 13. [LOAN AGREEMENT.] "Loan agreement" means a written agreement or agreements setting forth the terms and conditions of the obligation of the borrower to the lender and the pledges and covenants made and mortgage lien and other security interests granted for the security of the obligations, including a mortgage, note, indenture, or other agreement however designated.

Subd. 14. [LOAN GUARANTY.] "Loan guaranty" means a written agreement executed on behalf of the state that guarantees, in accordance with the terms and conditions contained in the agreement or in a loan agreement, the payment of sums of money owing by a borrower to a lender.



*Subd. 15. [STATE.] "State" actions contemplated in sections 1 to 6 may be taken on behalf of the state by resolutions of the agricultural resource loan guaranty board, subject to approval by the governor if required by the governor, or by a member of the board or another state officer in the department headed by the member, pursuant to authority delegated by resolution of the board. Resolutions of the board are effective when approved by the vote of a majority of its members.*

**Sec. 3. [41A.03] [LOAN GUARANTIES.]**

*Subdivision 1. [AUTHORITY FOR AND LIMITATION OF GUARANTY.] Subject to the provisions of sections 1 to 6 and upon determination that a loan will serve the public purposes and satisfy the conditions set forth in sections 1 to 6, the state may guarantee and commit to guarantee against loss an amount not exceeding 90 percent, with accrued interest, of a loan for the construction of an agricultural resource project (or the refunding or refinancing of a loan). The loan must be secured by a first mortgage lien on and security interest in all real and personal property comprising the project and other collateral as provided in the loan agreement.*

*Subd. 2. [LIMITATION OF LOAN AMOUNT.] The total principal amount of any guaranteed loan may not exceed 80 percent of the total cost of the related project as estimated by the state at the time the commitment to guarantee is made or, in the case of a refunding or refinancing loan, 80 percent of the aggregate amount of principal and interest refunded or refinanced. If the actual cost exceeds the estimate the state may, upon request of the borrower and the lender, consent to an increase of the loan by a principal amount not greater than 80 percent of the excess cost, and may increase the guaranteed amount by not more than 90 percent of the increase in the principal amount, and accrued interest on that amount.*

*Subd. 3. [REQUIRED PROVISIONS.] A loan guaranty or loan agreement pertaining to any loan guaranteed by the state must provide that:*

*(a) Payments of principal and interest made by the borrower under the loan shall be applied by the lender to reduce the guaranteed and nonguaranteed portion of the loan on a proportionate basis, and the nonguaranteed portion shall not in any event receive preferential treatment over the guaranteed portion.*

*(b) A period of grace shall be allowed of not less than 60 days from a date a principal or interest payment is due, prior to the making of demand for payment pursuant to the loan guaranty, to permit adequate time for a decision on behalf of the state regarding principal and interest assistance in accordance with subdivision 4. Payment as required by the loan guaranty*

shall be made within 60 days after receipt by the state of written demand complying with the terms and conditions of the guaranty.

(c) The lender may not accelerate repayment of the loan or exercise other remedies available to the lender if the borrower defaults, unless (i) the borrower fails to pay a required payment of principal or interest, or (ii) the state consents in writing, or (iii) as otherwise permitted in the loan guaranty. In the event of a default, the lender may not make demand for payment pursuant to the guaranty unless the state agrees in writing that such default has materially affected the rights or security of the parties, and finds that the lender should be entitled to receive payment pursuant to the loan guaranty.

(d) If a payment of principal or interest is made by the state upon default of the borrower, the state shall be subrogated to the rights of the lender with respect to the payment.

(e) The borrower shall have promptly prepared and delivered to the state annual audited financial statements of the project prepared according to generally accepted accounting principles.

(f) Duly authorized representatives of the state shall have access to the project site at reasonable times during construction and operation of the project.

(g) The borrower shall maintain adequate records and documents concerning the construction and operation of the project in order that representatives of the state may determine its technical and financial conditions and its compliance with environmental requirements. The records shall include the amounts of all sales and use taxes paid on personal property and services purchased for the construction and operation of the project, with tax receipts furnished by the sellers or other supporting documentation determined by the board to be satisfactory. The amounts of those taxes shall be reported to the board in the manner and at the times required by the board.

(h) The borrower shall protect and preserve at all times the project assets and other collateral securing the loan and shall assist in liquidation of collateral to minimize loss in the event of default.

(i) Orderly liquidation of assets of the project shall be provided for in the event of default, with an option on the part of the state to acquire from the lender the lender's interest in the assets pursuant to the nonguaranteed portion of the loan.

(j) The state shall be paid at or prior to the closing of the guaranteed loan a fee or fees for the loan guaranty or the com-

mitment to guarantee the loan. The aggregate fee may not exceed one percent of the total principal amount of the guaranteed portion of the loan.

(k) The lender shall perfect and maintain the mortgage lien on the real estate and the security interest in personal property and collateral granted as security for the loan, and shall cause all other loan servicing functions to be performed which are normally required or performed by a reasonable and prudent lender with respect to a loan without a guaranty.

(l) The state shall be notified in writing without delay of (i) the date and amount of and basis for each disbursement of loan proceeds; (ii) any nonpayment of principal or interest due (within ten days after the due date and with evidence of notification to the borrower); (iii) any failure to honor a commitment by any person of an intended source of capital for the project; and (iv) any significant adverse changes from original cash flow projections as evidenced by reports from the borrower, or any other known evidence that the borrower might be unable to meet a future scheduled payment of principal or interest.

(m) The loan agreement shall require the borrower to establish a reserve, from the proceeds of the loan or otherwise, to be maintained with the lender or with a trustee for the holders of the borrower's obligations in cash or securities of a specified market value not less than the annual amount which would be required to amortize the entire amount of the loan over the term (or at the rate of yield resulting from the interest rates) provided in the loan agreement.

**Subd. 4. [PRINCIPAL AND INTEREST ASSISTANCE.]**  
The state may at any time enter into a written contract with the borrower to pay the lender, on behalf of the borrower, an amount not greater than the amount of principal and interest to become due on one or more subsequent dates, without acceleration, if the state determines that (i) the borrower is not in default in payment of principal or interest due more than 60 days prior to the date of the contract; (ii) the borrower is or may become unable to meet in full principal or interest payments, or both, which are due or to become due within a specified period; (iii) it is in the public interest to permit the borrower to continue to pursue the purposes of the project; (iv) the probable net financial loss to the state will be less than that which would result in the event of a default; (v) the borrower is obligated by the contract to reimburse the state for all principal or interest advanced, with interest on those amounts, upon terms and conditions satisfactory to the state; and (vi) funds are available for allocation to the account established for the project in the guaranty fund, and are continuously allocated to the account in accordance with the provisions of section 4, subdivision 3, in an amount equal to the amount of interest on the advances until actually reimbursed to the state by the borrower. All sums so

*advanced and interest on those amounts shall be secured by the mortgage lien and security interest granted by the loan agreement, but none of the advances shall thereafter be repaid to the state until and unless all principal and interest currently due on the loan has been fully paid. In the event of subsequent default by the borrower, acceleration by the lender, and payment by the state of the full amount due under the loan guaranty, the state shall be subrogated to the rights of the lender with respect to the principal paid by it under the contract. Upon payment of the loan in full, with accrued interest, the remaining amount of the advances and interest on the advances may be paid to the state.*

Sec. 4. [41A.04] [APPLICATION AND APPROVAL.]

*Subdivision 1. [REQUIREMENTS.] (a) Any rural development finance authority, or county exercising the powers of such an authority, may file a written application with the state commissioner of finance, to be considered by the agricultural resource energy loan guaranty board, for a guaranty by the state of a portion of a loan for an agricultural resource project. In general, the application must provide information similar to that required by an investment banking or other financial institution considering such a project for debt financing. Specifically, each application must include in brief but precise form the following information, as supplied by the applicant, the borrower, or the lender:*

*(1) a description of the scope, nature, extent, and location of the proposed project, including the identity of the borrower and a preliminary or conceptual design of the project;*

*(2) a description of the technology to be used in the project and the prior construction and operating experience of the borrower with such projects;*

*(3) a detailed estimate of the items comprising the total cost of the project, including escalation and contingencies, with explanation of the assumptions underlying the estimate;*

*(4) a general description of the financial plan for the project, including the mortgage and security interests to be granted for the security of the guaranteed loan, and all sources of equity, grants, or contributions or of borrowing the repayment of which is not to be secured by the mortgage and security interests, or, if so secured, is expressly subordinated to the guaranteed loan;*

*(5) an environmental report analyzing potential environmental effects of the project, any necessary or proposed mitigation measures, and other relevant data available to the applicant to enable the board to make an environmental assessment;*

(6) a list of applications to be filed and estimated dates of approvals of permits required by federal, state, and local government agencies as conditions for construction and commencement of operation of the project;

(7) an estimated construction schedule;

(8) an analysis of the estimated cost of production of and market for the product, including economic factors justifying the analysis and proposed and actual marketing contracts, letters of intent, and contracts for the supply of feedstock;

(9) a description of the management experience of the borrower in organizing and undertaking similar projects;

(10) pro forma cash flow statements for the first five years of project operation including income statements and balance sheets;

(11) a description of the borrower's organization and, where applicable, a copy of its articles of incorporation or partnership agreement and bylaws;

(12) the estimated amount of the loan and percentage of guaranty requested, the proposed repayment schedule, and other terms and conditions and security provisions of the loan;

(13) an estimate of the amounts and times of receipt of guaranty fees, sales and use taxes, property tax increments, and any other governmental charges which may be available for the support of the state guaranty fund as a result of the construction of the project, with an analysis of the assumptions on which the estimate is based;

(14) a copy of any lending commitment issued by a lender to the borrower;

(15) a statement from the lender, if identified, as to its general experience in financing and servicing debt incurred for projects of the size and general type of the project, and its proposed servicing and monitoring plan; and

(16) additional information required by the board.

(b) The applicant shall pay upon filing of the application a fee equal to .25 percent of the amount of the loan guaranty requested. The fee shall be paid to the commissioner of finance and deposited in the general fund. If the board determines not to issue a commitment for the project, the fee shall be refunded to the applicant, less the board's cost of processing, reviewing, and evaluating the application. If the board issues a commitment for the project and the application fee exceeds the board's cost of

processing, reviewing, and evaluating the application, the balance shall be transferred from the general fund to the project account in the guaranty fund and credited against the amount of the commitment fee required in section 3, subdivision 3, clause (j). The county or rural development finance authority may require the proposed borrower under the project to pay the application fee.

Subd. 2. [ENVIRONMENTAL ASSESSMENT.] Notwithstanding any other law or rule, no environmental impact statement or environmental worksheet must be completed prior to the approval of an application and the issuance of a conditional commitment for the guaranty of a loan for an agricultural resource project, or the taking of any other action permitted by sections 1 to 7, including the issuance of bonds, which is considered necessary or desirable by the board to prepare for a final commitment and to make it effective. Environmental review, to the extent required by law, shall be made in conjunction with the issuance by state agencies of environmental permits for the project. Permits may be applied for prior to the issuance of a conditional commitment. Action shall be taken as expeditiously as possible on environmental review and all permits required. Environmental review shall be completed within 180 days after the initial filing of an application to the pollution control agency for the first permit. Final action shall be taken on permits within 90 days after completion of environmental review or, as to any permit requiring a public hearing, within 90 days after the receipt of the hearing examiner's report.

Subd. 3. [COMMITMENT.] The board shall determine as to each project for which an application is submitted whether it appears in the board's judgment to conform to the purposes and policies stated in section 1 to an extent measured by criteria which in the board's judgment are satisfactory. In evaluating applications the board shall consider the extent to which the public subsidies sought by the applicant under the program would provide the project with an unfair advantage in competing with other products produced or processed in Minnesota. It may but need not adopt rules setting forth criteria for evaluating applications for loan guaranties. Upon determination by the board that a project conforms to the purposes and policies in section 1, it may by resolution make on behalf of the state a conditional commitment to guarantee a portion of the proposed loan as it shall determine, not exceeding the limitations set forth in section 3. No action is allowable under section 116B.03, subdivision 1, with respect to acts of any person authorized or required in order to execute the resolution. The commitment is not binding upon the state until and unless the following conditions are satisfied.

(1) the board has created a project account for the project in the guaranty fund and has allocated to the account, from funds previously appropriated by the legislature or from the

proceeds of bonds issued or to be issued for purposes of the guaranty fund pursuant to authorization previously enacted by the legislature, and not previously allocated to any other project account, in an aggregate amount sufficient, with any other amount then on hand in the project account, to pay the entire guaranteed principal amount of the proposed loan, plus interest on that amount for one year. The bonds authorized by the legislature need not be issued until and unless the proceeds allocated to a project account must be deposited in the account to comply with clause (2) or (3).

(2) the board has deposited in the project account bond proceeds or other funds in an amount not less than the annual amount which would be required to amortize the guaranteed portion of the principal of the loan over the term and at the interest rate (or at the rate of yield resulting from the interest rates) provided in the loan agreement.

(3) the board has executed on behalf of the state a final loan guaranty instrument in conformity with section 3, which binds the state to offer state bonds for sale at the times and in the amounts required, with amounts on hand in the project account, to pay all amounts to become due and payable under the loan guaranty, within the authorization and allocation referred to in clause (1), and when sold, to issue the bonds and apply the proceeds to make these payments.

Subd. 4. [RULE MAKING AUTHORITY.] In order to effectuate the purposes of sections 1 to 7, the board may adopt rules which are not subject to the provisions of chapter 14.

Sec. 5. [41A.05] [MINNESOTA AGRICULTURAL RESOURCE LOAN GUARANTY FUND AND BONDS.]

Subdivision 1. [ESTABLISHMENT OF FUND.] For the purpose of developing the state's agricultural resources by extending credit on real estate security, the agricultural resource loan guaranty fund is established as a special and dedicated fund to be held and invested separately from all other funds of the state. All proceeds of state bonds authorized and issued for the purposes of the fund, and all guaranty fees, retail sales taxes, property tax increments, and other money from any source which may be credited to the fund pursuant to law or pursuant to the terms of grants, contributions, or contracts are appropriated and shall remain available for the purposes of the fund until those purposes have been fully accomplished. The fund may be used only for paying amounts due under loan guaranties and principal and interest assistance contracts entered into by the state, pursuant to the agricultural resource loan guaranty program.

Subd. 2. [ISSUANCE OF BONDS.] To provide money appropriated to the agricultural resource loan guaranty fund for the purposes of the program, when authorized by law and re-

requested by the board, the commissioner of finance shall issue and sell bonds of the state. The state irrevocably pledges the full faith, credit, and taxing powers of the state to the prompt and full payment of these bonds. The proceeds of the bonds when issued, except accrued interest and any premium received upon sale, shall be credited to the guaranty fund. All the bonds shall be sold and issued and shall be secured in the manner, upon the terms, and with the effect prescribed for state building bonds in chapter 16A, and with the security provisions set forth in chapter 16A and in article XI, sections 4 to 7 of the constitution.

*Subd. 3. [COVENANT.] In fulfillment of the state's covenant with the beneficiary of each loan guaranty executed by the board on behalf of the state pursuant to the agricultural resource loan guaranty program, in accordance with section 4, subdivision 3, the state will not limit or alter the rights vested in the board to comply with the terms of the loan guaranties. The state agrees not to rescind or cancel any authorization of an amount of bonds, or the appropriation of the proceeds of bonds for the purposes of the program, which, with the sum of the amounts then held in each project account in the guaranty fund, would be required, in the event of an immediate default on each guaranteed loan, to pay the balance of the guaranteed portion of the principal of all guaranteed loans with interest accrued and to accrue thereon for one year.*

*Subd. 4. [INCOME TAX EXEMPTION.] In the issuance of state bonds and the making of loan guaranties for the purposes of the program, the commissioner of finance and the board may and shall make all provisions and do or cause to be done all acts and things, consistent with sections 1 to 6, which are or may be effective under federal laws and regulations to comply with conditions for the exemption of interest on such bonds from federal income taxation. However, if for any reason, whether existing at the date of issue of any bonds or the date of execution of any loan guaranty or thereafter, the interest on any such bonds shall be or become subject to federal income taxes, this shall not impair or affect the validity of the bonds or of any loan guaranty or the provisions made for the security thereof, and shall not impair or affect the covenant made by the state in subdivision 3. Nothing herein affects the federal or state income tax treatment of interest on obligations of a borrower other than the state, whether or not guaranteed by the state.*

**Sec. 6. [41A.06] [PROJECT TAXES AND OTHER CHARGES.]**

*Subdivision 1. [APPROPRIATION.] The payments, taxes, and governmental charges described in this section which are received as a consequence of the undertaking, completion, and operation of each agricultural resource loan project for which a loan guaranty is made by the state are appropriated to the loan guaranty fund. This appropriation shall not lapse at the close of*



any fiscal year under the provisions of section 16A.28, and the receipts from the appropriation shall remain available as provided in section 5, subdivision 1. The state is not obligated, however, to continue the appropriation with respect to charges not yet collected, except to the extent determined to be necessary for compliance with the covenant contained in section 5, subdivision 3.

**Subd. 2. [ALLOCATION TO PROJECT ACCOUNTS.]** Receipts of charges related to a particular project shall be deposited and recorded in its project account in the guaranty fund; but the board may reallocate receipts in any project account which cause the amount held in the account to exceed the minimum balance established initially pursuant to section 4, subdivision 3, clause (2). The reallocation may be made to another project account for the purpose of maintaining the minimum balance in the account.

**Subd. 3. [PAYMENTS BY BORROWERS.]** Guaranty and commitment fees paid by borrowers pursuant to the loan guaranty provision required by section 3, subdivision 3, clause (j), and repayments by borrowers of amounts advanced by the state under contracts referred to in section 3, subdivision 4, shall be deposited in the project account for the borrower's project and shall not be disbursed or transferred for any purpose other than the fulfillment of the state's obligations under the loan guaranty for that project. Funds may be transferred out of the account if the minimum required balance in the project account is maintained and exceeds the aggregate amount of fees and payments previously received from the borrower plus interest received from the investment thereof.

**Subd. 4. [SALES AND USE TAXES.]** All collections of the excise taxes imposed by chapter 297A upon retail sales, and upon the privilege of use, storage, or consumption in Minnesota, of personal property and services purchased for the construction or operation of any project for which a loan guaranty has been made or conditionally committed, less any refunds required by law and a proportionate share of the cost of administration and enforcement of the assessment and collection of the taxes, are appropriated and shall be deposited from the general fund into the project account in the guaranty fund at least once each year from and after the date of the conditional commitment. The commissioner of finance shall secure from each borrower the amount of taxes so imposed and from the commissioner of revenue the amount of refunds or costs to be deducted from them.

**Subd. 5. [PROPERTY TAX INCREMENTS.]** The applicant for a loan guaranty for any project, and the county in which the project is situated, shall do all acts and things necessary for the computation and segregation of property tax increments resulting from the construction of the project in accordance with

*the provisions of section 362A.05, and for the remittance to the commissioner of finance, for deposit in the loan guaranty fund, of all tax increments received from and after the date of the conditional commitment for the loan guaranty. The board may agree to accept a pledge of only a portion of the tax increment. If the project account contains the minimum balance required by section 4, subdivision 3, the board may annually return the excess tax increment to be distributed as provided by section 273.75, subdivision 2, clause (d), until the increment has been discharged under the agreement or section 11.*

Sec. 7. [41A.06] [ADVISORY COMMISSION.]

*The board may appoint an advisory commission, consisting of at least five members. The members of the commission shall include individuals with expertise in agricultural processing, commercial lending and financing of similar or related projects, agricultural economics, and engineering, chemistry, and other natural sciences related to the projects. The commission shall advise the board on establishing a workable program pursuant to sections 1 to 6 and may provide assistance in evaluating applications for loan guarantees. The terms and compensation of commission members shall be governed by section 15.059; except that subdivision 5 shall not apply.*

Sec. 8. Minnesota Statutes 1982, section 297A.44, subdivision 1, is amended to read:

*Subdivision 1. All revenues, including interest and penalties, derived from the excise and use taxes imposed by sections 297A.01 to 297A.44 shall be deposited by the commissioner in the state treasury and credited to the general fund. All excise and use taxes derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project, from and after the date on which a conditional commitment for a loan guaranty for the project is made pursuant to section 4, subdivision 3, shall be deposited in the agricultural resource loan guaranty fund. The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty fund shall be reduced by any refunds and by the costs incurred by the department of revenue to administer and enforce the assessment and collection of the taxes.*

Sec. 9. Minnesota Statutes 1982, section 362A.01, subdivision 1, is amended to read:

*Subdivision 1. Any county or combination of counties by resolution of the county board or boards may establish a rural development financing authority as a public nonprofit corporation with the same powers and duties as those conferred and imposed on a private nonprofit corporation by chapter 317, and all present and future laws amending or supplementing that*

chapter, except as otherwise or additionally provided herein. No such authority shall transact any business or exercise any powers until a certified copy of the resolutions of each participating county board has been submitted to the secretary of state and a certificate of incorporation issued pursuant to section 317.10. *Alternatively, a county may determine by resolution of the county board (without such filing) to exercise the powers granted in this chapter to a rural development finance authority.*

**Sec. 10. [362A.041] [APPLICATIONS FOR LOAN GUARANTIES.]**

*The authority, or a county exercising the powers of an authority pursuant to section 362A.01, may undertake or participate in undertaking a project deemed to further the policies and purposes of the agricultural resource loan guaranty program established and described in sections 1 to 6, by applying to the agricultural resource loan guaranty board for a guaranty by the state of a portion of a loan for the project to be secured by the applicant, or by another eligible borrower. For this purpose it may do all acts and things required of an applicant or of a borrower under the provisions of sections 1 to 6, including but not limited to the computation, segregation, and application of tax increments by deposit in the loan guaranty fund under the terms of the loan guaranty.*

Sec. 11. Minnesota Statutes 1982, section 362A.05, is amended to read:

**362A.05. [AGREEMENTS FOR RESERVATION OF TAX INCREMENTS.]**

The authority may enter into an agreement with any county in which a project is to be situated, *or a county exercising the powers of an authority may adopt a resolution, under which the increment of taxable value of property (TO BE CREATED BY THE) constituting an agricultural resource project for which a conditional commitment for a loan guaranty has been made by the state as provided in section 4, subdivision 3, over and above the taxable value of the project site as last finally determined before the project was undertaken, may be excluded from the taxable value of property on which the mill rate of taxes is computed in every subsequent year, for so long as may be (AGREED) provided in the loan guaranty, but the aggregate mill rate of taxes levied by the county and all other taxing districts on other properties in each such year shall be spread also on the incremental taxable value of the project, and the tax resulting therefrom, when collected, shall be remitted to the authority (, AND MAY BE PLEDGED, TOGETHER WITH*

CHARGES OR SPECIAL ASSESSMENTS, TO PAY OR GUARANTEE THE PAYMENT OF ITS BONDS, OR MAY BE USED BY THE AUTHORITY FOR THE PURPOSES STATED IN SECTION 362A.01, SUBDIVISION 2) or to the county, as the case may be, for deposit and use in the loan guaranty fund of the state as provided in sections 1 to 6. The tax increment for an agricultural resource project shall be discharged when either of the following occurs: (a) the loan obligation has been satisfied; or (b) the amount in the project account equals the amount of the guaranteed portion of the outstanding principal and interest on the guaranteed loan. Every county shall have the power by resolution of the county board to do all acts and things necessary for the computation, segregation, and application of tax increments under (AGREEMENTS MADE WITH THE AUTHORITY) the loan guaranty in accordance with this section. (THIS SECTION SHALL NOT APPLY WITH RESPECT TO ANY PROJECT ESTABLISHED SUBSEQUENT TO AUGUST 1, 1979.)

Sec. 12. [AUTHORIZATION OF BONDS.]

*To provide money in the state agricultural resource loan guaranty fund, for the purpose of the program for which this fund is appropriated and dedicated under the provisions of sections 1 to 6, the commissioner of finance may issue bonds of the state in the aggregate amount of \$40 million. Before the issuance of any series of the bonds the loan guaranty board shall determine by resolution that the amount to be issued will be needed to make payments due under one or more guaranties executed with respect to outstanding loans in the program, or is needed to maintain within the guaranty fund a balance sufficient in the judgment of the board to assure compliance by the state with its covenant contained in section 5, subdivision 3. The bonds shall be sold and issued in the manner, upon the terms, and with the effect prescribed by sections 1 to 6 and by the constitution, article XI, sections 4 to 7.*

Sec. 13. [EFFECTIVE DATE.]

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

Amend the title as follows:

Page 1, line 8, delete "290.01, by adding a subdivision;"

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

The report was adopted.

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

H. F. No. 1405, A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, after line 15, insert:

"Sec. 2. [RELOCATION OF MONUMENT.]

*Notwithstanding section 15.50, subdivision 2 or 138.68, the Monument to the Living shall be relocated in the Court of Honor of the Veterans Services Building and shall face the Capitol."*

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

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1459, A bill for an act relating to taxation; providing for the imposition of an aggregate material tax in Sibley County; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

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

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1460, A bill for an act relating to state lands; providing for the conveyance of certain land in International Falls.

Reported the same back with the following amendments:

Page 1, line 10, after the first "to" delete the remainder of the line and insert "the city of"

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

The report was adopted.

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

H. F. No. 1462, A bill for an act relating to elections; making the requirements for school election absentee ballots the same as those for the general election; amending Minnesota Statutes 1982, section 123.32, subdivision 24.

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

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1496, A bill for an act relating to state lands; providing for the conveyance of certain state land to the city of Pillager.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1522, A bill for an act relating to Mille Lacs county; permitting the sale of certain tax-forfeited land.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1528, A bill for an act relating to taxation; updating references to the internal revenue code; simplifying certain income tax and property tax refund provisions; making technical corrections and administrative changes to income tax and property tax refund provisions; amending Minnesota Statutes 1982, sections 10A.31, subdivision 1; 62E.11, subdivision 8; 271.19; 290.01, subdivision 20e; 290.05, subdivision 4; 290.06, subdivisions 3e, 3f, and 3g; 290.095, subdivision 11; 290.17, subdivision 1a; 290.19, subdivision 1a; 290.23, subdivision 3;

290.311, subdivision 1; 290.41, subdivision 2, and by adding a subdivision; 290.56, subdivisions 4 and 5; 290.61; 290.931, subdivision 1; 290A.03, subdivision 7; and 290A.07, subdivision 2a; Minnesota Statutes 1983 Supplement, sections 290.01, subdivisions 20, 20a, 20b, and 20f; 290.032, subdivision 2; 290.06, subdivisions 2c, 3d, 11, 13, and 14; 290.067, subdivisions 1 and 2; 290.077, subdivision 4; 290.089, subdivisions 2 and 3; 290.09, subdivisions 5 and 29; 290.091; 290.10; 290.17, subdivisions 1 and 2; 290.174; 290.175; 290.18, subdivision 1; 290.21, subdivision 3; 290.37, subdivision 1; 290.431; 290.45, subdivision 1; 290.46; 290.92, subdivision 26; 290.93, subdivision 10; 290.9726, subdivision 5; 290A.03, subdivisions 3, 6, 11, 12, and 14; 290A.04, subdivisions 1 and 2; 290A.07, subdivision 3; and 296.13, subdivision 1; repealing Minnesota Statutes 1982, sections 290.011; 290.012, subdivisions 1, 3, and 4; 290.101; 290.311, subdivision 2; Minnesota Statutes 1983 Supplement, sections 290.012, subdivision 2; and 290A.16; and Laws 1983, chapter 207, section 6.

Reported the same back with the following amendments:

Page 8, line 26, after "1954" insert " *, railroad retirement benefits as provided in section 72(r) of the Internal Revenue Code of 1954 and sick pay paid under the Railroad Unemployment Insurance Act as provided in section 105(i) of the Internal Revenue Code of 1954, provided that any amount subtracted under this clause may not be subtracted under clause (6)*"

Page 19, line 14, after the stricken "(7)" insert "(5)" and reinstate the remaining stricken language

Page 19, line 15, reinstate the stricken language

Page 19, line 16, delete "(5)" and insert "(6)"

Page 19, line 19, delete "(6)" and insert "(7)"

Page 19, line 24, delete "(7)" and insert "(8)"

Page 19, line 28, delete "(8)" and insert "(9)"

Page 20, line 1, delete "(9)" and insert "(10)"

Page 20, line 4, delete "(10)" and insert "(11)"

Page 20, line 17, after the stricken "(14)" insert "(12) *For an estate or trust*" and reinstate the balance of the line

Page 20, lines 18 and 19, reinstate the stricken language

Page 20, line 20, reinstate everything before the semicolon and after the stricken semicolon insert " *, and*"

Page 20, line 21, reinstate "To the extent deducted in computing the" and after the stricken "taxpayer's" insert "*estate or trust's*"

Page 20, line 22, reinstate "federal" and insert "*taxable*" and reinstate "income, interest, taxes and other"

Page 20, lines 23 and 24, reinstate the stricken language

Page 20, line 25, delete "(11)" and insert "(13)"

Page 20, line 27, delete "(12)" and insert "(14)"

Page 20, line 33, delete "(13)" and insert "(15)"

Page 21, line 5, delete "(14)" and insert "(16)"

Page 21, lines 26 to 28, reinstate the stricken language

Page 24, line 19, after the stricken "(15)" insert "(13) *For an estate or trust*" and reinstate the balance of the line

Page 24, line 20, reinstate the stricken language

Page 24, line 21, delete "(13)" and insert "(14)"

Page 25, line 9, delete "(14)" and insert "(15)"

Page 25, line 12, delete "(15)" and insert "(16)"

Page 25, line 16, delete "(14)" and insert "(16)"

Page 25, line 20, delete "(16)" and insert "(17)"

Page 25, line 22, strike "designated employee"

Page 25, line 24, delete "(13)" and insert "(15)"

Page 28, line 11, after the comma insert "*or, where the straight line method provided in section 168(b)(3) is used, the last taxable year in which an amount of allowable depreciation for that property under section 168 is obtained,*"

Page 28, line 30, delete "*, as amended through December 31,*"

Page 28, line 31, delete "1983,"

Page 30, line 20, reinstate "A claimant"

Page 30, line 21, reinstate everything before the stricken "may" and after the stricken "may" insert "*must*"



Page 30, line 21, reinstate "pay"; after the stricken "a" insert "*the*" and reinstate "tax computed under"

Page 30, line, 22, reinstate "subdivision 2c as"

Page 30, line 23, reinstate the stricken language and after "by" insert "*this credit and by*"

Page 30, line 24, after the stricken colon insert a period

Page 30, line 25, reinstate "(1) The" and after the stricken "zero" insert "*credit provided in this subdivision equals the tax liability*" and reinstate "for the following"

Page 30, lines 26 to 36, reinstate the stricken language

Page 31, lines 1 to 18, reinstate the stricken language

Page 31, delete lines 21 to 29

Page 32, lines 33 to 36, reinstate the stricken language

Page 33, lines 1 to 7, reinstate the stricken language and delete the new language

Page 33, lines 21 to 23, reinstate the stricken language and delete the new language

Page 34, lines 2 to 4, reinstate the stricken language and delete the new language

Page 34, lines 18 to 20, reinstate the stricken language and delete the new language

Page 35, lines 1 to 13, delete section 13

Page 47, line 13, strike "In the case of an individual,"

Page 47, after line 30, insert:

*"(5) The term "regular tax" as defined in section 55(f)(2) of the Internal Revenue Code shall be increased by the amount of the credit allowable under section 38 of the Internal Revenue Code and it shall be computed before the limitation on tax provided in section 1301 of the Internal Revenue Code.*

*(6) Federal preference items which arise from a farm shall not be a preference item to the extent they exceed the loss allowed under section 290.09, subdivision 29, other than interest and taxes."*

Page 57, line 32, delete "*provided*" and insert "*determined*"

Page 61, lines 9 to 12, delete the new language

Page 61, line 31, delete "(8), (9)" and insert "(9), (10)" and delete "(11)" and insert "(13)"

Page 63, lines 8 to 22, delete section 35

Page 65, line 6, delete "290.012,"

Page 65, line 7, delete "*subdivisions 1, 3, and 4; 290.101;*"

Page 65, delete line 8

Page 65, line 9, delete "*subdivision 2;*"

Page 65, line 11, delete "38" and insert "36"

Page 65, line 12, delete "20, 22 to 33, 37, and 39" and insert "19, 21 to 32, 35, and 37"

Page 65, line 14, delete "21" and insert "20"

Page 65, line 16, delete "*the day after final enactment*" and insert "*for taxable years beginning after December 31, 1982, and is intended to confirm the intent of the legislature that for the purposes of section 290.09, subdivision 29, the word "live-stock" always has included horses*"

Page 65, line 17, delete "34 to 36" and insert "33 and 34"

Renumber the sections in sequence

Pages 66 and 67, delete section 4

Page 68, line 10, after "*commissioner*" insert "*, on magnetic media to extent possible,*"

Page 68, line 28, after "*documents*" insert "*and information*"

Page 70, line 20, after "*programs*" insert "*and automated procedures*"

Page 71, line 36, delete "5, and 6" and insert "4, and 5"

Page 72, line 1, delete "*Section 4 is effective for taxable years*"

Page 72, line 2, delete "*beginning after December 31, 1983.*"

Page 72, line 2, delete "7, 8, and 9" and insert "6, 7, and 8"

Re-number the sections in sequence

Page 85, after line 9, insert:

"Sec. 16. Minnesota Statutes 1982, section 600.21, is amended to read:

600.21 [COPIES OF RECORD OF DEATH; RECORDATION.]

In all cases of joint tenancy in lands, and in all cases where any estate, title interest in, or lien upon, lands, has been or may be created, which estate, title interest, or lien was, or is, to continue only during the life of any person named or described in the instrument by which such estate, title, interest, or lien was created, a copy of the record of the death of any such joint tenant, or of the person upon whose life such estate, title, interest, or lien was, or is, limited, duly certified by any officer who is required by the law of the state or country in which such record is made, to keep a record of the death of persons occurring within the jurisdiction of such officer, may be recorded in the office of the county recorder of the county in which such lands are situated, and such certified copy or such record thereof in such office, or a duly certified copy of such last mentioned record, shall be prima facie evidence of the death of such person and the termination of such joint tenancy and of all such estate, title, interest, and lien as was, or is, limited upon the life of such person. When a certified copy of such death certificate is attached to an affidavit of survivorship (WHICH, FOR DECEDENTS DYING PRIOR TO JANUARY 1, 1980, HAS BEEN DULY CERTIFIED BY THE COMMISSIONER OF REVENUE, OR AN AFFIDAVIT OF SURVIVORSHIP FOR EXEMPT HOMESTEAD PROPERTY IN COMPLIANCE WITH THE PROVISIONS OF SECTION 291.14, SUBDIVISION 2, CLAUSE (4), FOR DECEDENTS DYING PRIOR TO JANUARY 1, 1980,) the same shall, prior to recordation in the office of the county recorder or registrar of titles, be presented to the county auditor of the county wherein such estate, title, interest, or lien is situated and such county auditor shall note the transfer on his books and shall inscribe upon the instrument over his official signature the words "Transfer entered." Until so presented and indication made thereon, said instrument shall not be entitled to record in the office of the county recorder or registrar of titles of said county.

Sec. 17. Laws 1980, chapter 439, section 36, is amended to read:

Sec. 36. [EFFECTIVE DATE.] Section 26 is effective the day after final enactment. *Section 34 is effective on and after*

December 31, 1983. The remainder of this act is effective for estates of decedents dying after December 31, 1979.

Sec. 18. [DUTIES ABOLISHED.]

*Duties imposed upon a spouse or children of a decedent, the personal representative, or the county recorder or registrar of titles under Minnesota Statutes 1978, section 291.14, subdivision 2, clause (4), or subdivision 4, are abolished on and after December 31, 1983."*

Page 85, line 17, after the period insert "Sections 16 to 18 are effective on and after December 31, 1983."

Renumber the sections in sequence

Page 85, after line 17, insert:

"ARTICLE 5

INTEREST RATE ON REFUNDS

Section 1. [270.76] [INTEREST ON REFUNDS.]

*When any tax payable to the commissioner of revenue or to the department of revenue is overpaid and an amount is due the taxpayer as a refund of the overpayment, the overpayment shall bear interest from the date of payment of the tax until the date the refund is paid or credit is made, unless another period for computing interest is provided by law. The interest rate per annum on overpayments shall be 80 percent of the interest rate contained in section 270.75, the rate shall be adjusted annually and become effective as provided in section 270.75, subdivision 5, and the result of the adjustment in the rate shall be rounded to the nearest full percent. The determination of the commissioner pursuant to this subdivision shall not be considered a "rule" and shall not be subject to the Administrative Procedure Act contained in chapter 14.*

Sec. 2. Minnesota Statutes 1982, section 270A.07, subdivision 5, is amended to read:

Subd. 5. [INTEREST ON REFUNDS.] Any refund wrongfully or incorrectly applied to a debt and transferred to a claimant agency shall be paid by the agency to the debtor. The sum wrongfully or incorrectly withheld shall bear interest at (SIX PERCENT PER YEAR) *the rate specified in section 270.76, computed from the date when the refund would begin to bear interest under section 290.92, subdivision 13, clause (1), regardless of whether the refund is payable under chapter 290 or 290A. If the claimant agency is a state agency, the payment shall be made out of the agency's appropriation.*

Sec. 3. Minnesota Statutes 1982, section 271.12, is amended to read:

271.12 [WHEN ORDER EFFECTIVE.]

No order for refundment by the commissioner of revenue, the appropriate unit of government, or the tax court shall take effect until the time for appeal therefrom or review thereof by all parties entitled thereto has expired. Otherwise every order of the commissioner, the appropriate unit of government, or the tax court shall take effect immediately upon the filing thereof, and no appeal therefrom or review thereof shall stay the execution thereof or extend the time for payment of any tax or other obligation unless otherwise expressly provided by law; provided, that in case an order which has been acted upon, in whole or in part, shall thereafter be set aside or modified upon appeal, the determination upon appeal or review shall supersede the order appealed from and be binding upon all parties affected thereby, and such adjustments as may be necessary to give effect thereto shall be made accordingly. If it be finally determined upon such appeal or review that any person is entitled to refundment of any amount which has been paid for a tax or other obligation, such amount, unless otherwise provided by law, shall be paid to him by the state treasurer, or other proper officer, out of funds derived from taxes of the same kind, if available for the purpose, or out of other available funds, if any, with interest at (SIX PERCENT) *the rate specified in section 270.76* from the date of payment of the tax, unless a different rate of interest is otherwise provided by law, in which case such other rate shall apply, upon certification by the commissioner of revenue, the appropriate unit of government, the tax court or the supreme court. If any tax, assessment, or other obligation be increased upon such appeal or review, the increase shall be added to the original amount, and may be enforced and collected therewith.

Sec. 4. Minnesota Statutes 1983 Supplement, section 290.50, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURE, TIME LIMIT.] (a) A taxpayer who has paid or from whom there has been collected an amount of tax for any year in excess of the amount legally due for that year, may file with the commissioner a claim for a refund of such excess. Except as otherwise provided in this section, no claim or refund shall be allowed or made after three and one-half years from the date prescribed for filing the return (plus any extension of time granted for filing the return, but only if filed within the extended time) or after two years from the date of overpayment, whichever period is longer, unless before the expiration of the period a claim is filed by the taxpayer. For this purpose an income tax return or amended return claiming an overpayment shall constitute a claim for refund.

(b) If no claim was filed, the credit or refund shall not exceed the amount which would be allowable if a claim was filed on the date the credit or refund is allowed.

(c) If a claim relates to an overpayment on account of a failure to deduct a loss due to a bad debt or to a security becoming worthless, the claim shall be allowed if filed within seven years from the date prescribed in section 290.42 for the filing of the return, and the refund or credit shall be limited to the amount of overpayment attributable to the loss.

(d) For purposes of this section, the prepayment of tax made through the withholding of tax at the source, or payment of estimated tax, prior to the due date of the tax are considered as having been paid on the last day prescribed by law for the payment of the tax by the taxpayer. A return filed before the due date shall be considered as filed on the due date.

(e) Except as provided in sections 290.92, subdivision 13, 290.93, subdivision 9, and 290.936, interest on the overpayment refunded or credited to the taxpayer shall be allowed at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* computed from the date of payment of the tax until the date the refund is paid or credit is made to the taxpayer. However, to the extent that the basis for the refund is a net operating loss carryback or a capital loss carryback, interest shall be computed only from the end of the taxable year in which the loss occurs.

(f) If a taxpayer reports a change in his federal gross income, items of tax preference, deductions, credits, or a renegotiation, or files a copy of his amended federal return, within 90 days as provided by section 290.56, subdivision 2, a refund may be made of any overpayment within one year after such report or amended return is filed except as provided in subdivision 2.

(g) There is hereby appropriated from the general fund to the commissioner of revenue the amounts necessary to make payments of refunds allowed pursuant to this section.

Sec. 5. Minnesota Statutes 1982, section 290.92, subdivision 11, is amended to read:

Subd. 11. [REFUNDS.] Where there has been an overpayment of tax imposed by this section, refund of such overpayment or credit shall be made to the employer in accordance with regulations prescribed by the commissioner, but only to the extent that the amount of such overpayment was not deducted and withheld under subdivision 2a or subdivision 3 by the employer. Any overpayment which is refunded shall bear interest at the rate (OF SIX PERCENT PER ANNUM) *spec-*

ified in section 270.76, computed from the date of payment until the date the refund is paid to the employer. 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. 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.

Sec. 6. Minnesota Statutes 1983 Supplement, 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) specified in section 270.76, 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. A return shall not be treated as filed until it is in processible form. A return is in processible form when it is filed on a permitted form containing the taxpayer's name, address, social security account number, the required signature, and sufficient required information (whether on the return or on required attachments) to permit the mathematical verification of tax liability shown on the return. 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. 7. Minnesota Statutes 1983 Supplement, 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) *specified in section 270.76*, 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. A return shall not be treated as filed until it is in processible form. A return is in processible form when the return is filed on a permitted form, and the return contains the taxpayer's name, address, social security account number, the required signature, and sufficient required information (whether on the return or on required attachments) to permit the mathematical verification of tax liability shown on the return. 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. 8. Minnesota Statutes 1982, 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) *specified in section 270.76*, 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. 9. Minnesota Statutes 1982, section 290A.07, subdivision 2a, is amended to read:

Subd. 2a. A claimant 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) *the rate specified in section 270.76* from August 15 or 60 days after receipt of the application whichever is later.

Sec. 10. Minnesota Statutes 1983 Supplement, section 290A.07, subdivision 3, is amended to read:

Subd. 3. Any claimant not included in subdivision 2a shall receive full payment after August 31 and prior to September 15. Interest shall be added at (SIX PERCENT PER ANNUM) *the rate specified in section 270.76* from September 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. 11. Minnesota Statutes 1982, section 291.18, is amended to read:

291.18 [OVERPAYMENT OF TAX; REFUNDS; APPROPRIATION.]

(1) When any tax or penalty and accrued interest thereon, imposed by this chapter shall have been paid or collected, in excess of the amount legally due, the person or corporation paying the same shall be entitled to a refundment of the amount of such taxes, penalty and interest overpaid, together with interest thereon at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* from the date of payment, or from the date beginning nine months after death of the decedent, whichever date occurs later, in the manner provided by section 291.32; provided that all applications for such refundment shall be made within two years from the date of final determination or adjustment of any part of such tax by the taxpayer and the commissioner, the probate court or the tax court, as the case may be.

(2) There is hereby appropriated to the persons entitled to such refund, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Sec. 12. Minnesota Statutes 1982, section 294.09, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURES; TIME LIMIT.] A company, joint stock association, copartnership, corporation, or individual who has paid, voluntarily or otherwise, or from whom there has been collected (other than by proceedings instituted by the attorney general under sections 294.06 and 294.08, subdivision 3) an amount of gross earnings tax for any year in excess of the amount legally due for that year, may file with the commissioner of revenue a claim for a refund of such excess. Except as provided in subdivision 4, no such claim shall be entertained unless filed within two years after such tax was paid or collected, or within three and one-half years from the filing of the return, whichever period is the longer. Upon the filing of a claim the commissioner shall examine the same and shall make and file written findings thereon denying or allowing the claim in whole or in part and shall mail a notice thereof to such company, joint stock association, copartnership, corporation, or individual at the address stated upon the return. If such claim is allowed in whole or in part, the commissioner shall credit the amount of the allowance against any tax due the state from the claimant and for the balance of said allowance, if any, the commissioner shall issue his certificate for the refundment of the excess paid. The commissioner of finance shall cause such refund to be paid out of the proceeds of the gross earnings taxes imposed by Minnesota Statutes 1967, Chapters 294 and 295 as other state moneys are expended. So much of the proceeds as may be necessary are hereby appropriated for that purpose. Any allowance so made by the commissioner shall include interest at the rate (OF SIX PERCENT) *specified in section 270.76* computed from the date of payment or collection of the tax until the date the refund is paid to the claimant.

Sec. 13. Minnesota Statutes 1983 Supplement, section 297A.35, subdivision 1, is amended to read:

Subdivision 1. A person who has, pursuant to the provisions of this chapter, paid to the commissioner an amount of tax for any period in excess of the amount legally due for that period, may file with the commissioner a claim for a refund of such excess subject to the conditions specified in subdivision 5. Except as provided in subdivision 4 no such claim shall be entertained unless filed within two years after such tax was paid, or within three years from the filing of the return, whichever period is the longer. The commissioner shall examine the claim and make and file written findings thereon denying or allowing the claim in whole or in part and shall mail a notice thereof to such person at the address stated upon the claim. Any allowance shall include interest on the excess determined at a rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* from the date such excess was paid or collected until the date it is refunded or credited. If such claim is allowed in whole or in part, the commissioner shall credit the amount of the allowance against any taxes under sections 297A.01 to 297A.44 due from the claimant and for the balance of said allowance, if any, the commissioner shall issue his certificate for the refundment of the excess paid, and the commissioner of finance shall cause such refund to be paid out of the proceeds of the taxes imposed by sections 297A.01 to 297A.44, as other state moneys are expended. So much of the proceeds of such taxes as may be necessary are hereby appropriated for that purpose.

Sec. 14. Minnesota Statutes 1982, section 298.09, subdivision 4, is amended to read:

Subd. 4. If the amount of tax determined by the commissioner is subsequently found to be erroneous, the commissioner may, at any time within three years from the date the tax is certified as provided in section 298.10, redetermine the amount thereof. No such redetermination shall be made increasing the tax unless the person from whom the additional amount is due is given ten days written notice thereof and an opportunity to be heard thereon. If an order is made increasing the tax, the same proceedings shall be had as provided for occupation taxes originally determined and certified. Any person who has paid an occupation tax may apply to the commissioner within the time herein limited for a redetermination of the tax, and if the commissioner determines that the tax has been overpaid, he shall make and file an order determining the amount of such overpayment, and credit it against occupation taxes otherwise payable by the person who has overpaid the amount as so determined. If the tax is increased, interest at the rate specified in section 270.75 from the date payment should have been made shall be determined and paid; if the tax is reduced, interest at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* from the date of overpayment shall be allowed.

Sec. 15. Minnesota Statutes 1982, section 299.05, is amended to read:

299.05 [ASSESSMENT BY COMMISSIONER.]

Upon receipt of the report provided for in section 299.03, the commissioner of revenue shall determine, from information as may be possessed, or obtained, whether the report is correct, or incorrect; and, if found correct, the commissioner shall determine the amount of tax due from the person, enter the amount of the tax in department records, make assessment of taxes due from the person, and the amount that has been paid; and, on or before June 30, of each year, demand payment from the person. The commissioner of revenue shall have power, in case he shall deem the report incorrect, or in case the report is not made and filed with the commissioner as provided in section 299.03, to make findings as to the amount of taxes due after hearing upon notice to the person interested, and the findings shall have the same effect as the determination of the amount of such taxes upon a report made as hereinbefore provided.

A person subletting land for the use of which is received royalty shall be required to pay taxes only on the difference between the amount of royalty paid by him or her and the amount received.

If the amount of tax determined by the commissioner is subsequently found to be erroneous, the commissioner may, at any time within three years from the date allowed above for the original assessment, redetermine the amount of the tax. No redetermination shall be made increasing the tax unless the person from whom the additional amount is due is given ten days written notice of the proposed increase and the person's right to a hearing pursuant to chapter 14. Any person who has paid a royalty tax may apply to the commissioner within three years from the date allowed above for the original assessment for a redetermination of the tax and if the commissioner determines that the tax has been overpaid, he or she shall make and file an order determining the amount of the overpayment and credit the overpayment against the royalty taxes otherwise payable by the person who overpaid the tax. If the tax is increased, interest at the rate specified in section 270.75 from the date payment should have been made shall be determined and added to the tax. If the tax is reduced, interest at the rate (OF SIX PERCENT PER ANNUM) specified in section 270.76 from the date of the overpayment shall be allowed.

Sec. 16. [EFFECTIVE DATE.]

*This article is effective for interest earned on overpayments after December 31, 1984."*

Amend the title as follows:

Page 1, line 4, after "provisions;" insert "increasing the interest rate on refunds;"

Page 1, line 5, after "tax" insert ", inheritance tax,"

Page 1, line 8, after "8;" insert "270A.07, subdivision 5; 271.12;"

Page 1, line 9, after "3e," insert "and"; and after "3f" delete the comma

Page 1, line 10, delete "and 3g"

Page 1, line 11, delete "290.19, subdivision 1a;"

Page 1, line 14, after "290.61;" insert "290.92, subdivision 11;"

Page 1, line 14, delete "290A.03, subdivision"

Page 1, line 15, delete the first "7" and insert "290.936"

Page 1, line 15, before "Minnesota" insert "291.18; 294.09, subdivision 1; 298.09, subdivision 4; 299.05; and 600.21;"

Page 1, line 24, after "290.46;" insert "290.50, subdivision 1;"

Page 1, line 24, delete the second "subdivision" and insert "subdivisions 13 and"

Page 1, line 25, delete the first "subdivision" and insert "subdivisions 9 and"

Page 1, line 28, before "repealing" insert "297A.35, subdivision 1; and Laws 1980, chapter 439, section 36; proposing new law coded in Minnesota Statutes, chapter 270;"

Page 1, line 29, delete "290.012, subdivisions 1, 3,"

Page 1, line 30, delete "and 4; 290.101;"

Page 1, line 31, delete "sections 290.012,"

Page 1, line 32, delete "subdivision 2; and" and insert "section"

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1557, A bill for an act relating to employment; providing job security for volunteer firefighters; proposing new law coded in Minnesota Statutes, chapter 181.

Reported the same back with the following amendments:

Page 1, line 9, before "An" insert "*Except for loss of pay for time not worked,*"

Page 1, line 10, delete "*, except for loss of pay for time not worked,*"

Page 1, line 12, after "*his*" insert "*or her*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1562, A bill for an act relating to labor; regulating the payment of wages when employment is terminated; amending Minnesota Statutes 1982, sections 181.13; and 181.14.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 181.13, is amended to read:

181.13 [PENALTY FOR FAILURE TO PAY WAGES PROMPTLY.]

When any person, firm, company, association, or corporation employing labor or a commission salesperson within this state (DISCHARGES A SERVANT OR) *terminates the services of an employee (FROM HIS EMPLOYMENT) or salesperson,* the wages or commissions actually earned and unpaid at the time of such (DISCHARGE) *termination shall become immediately due and payable upon demand of (SUCH EMPLOYEE) the terminated individual,* at the usual place of payment, and if not paid within 24 hours after such demand, whether such employment was by the day, hour, week, month, or piece or by commissions, (SUCH DISCHARGED EMPLOYEE) *the termi-*

*nated individual* may charge and collect the amount of his or her average daily earnings (AT THE RATE AGREED UPON IN THE CONTRACT OF EMPLOYMENT) for a full day's work, for (SUCH PERIOD) every day, not exceeding 15 days, after the expiration of the 24 hours, (AS) by which the employer is in default, until full payment or other settlement, satisfactory to the discharged employee or salesperson, is made.

Sec. 2. Minnesota Statutes 1982, section 181.14, is amended to read:

181.14 [NOTICE TO BE GIVEN; SETTLEMENT OF DISPUTES.]

When any such employee or commissioned salesperson, not having a contract for a definite period of service, quits or resigns his (EMPLOYMENT) or her position, the wages or commissions earned and unpaid at the time of such quitting or resignation shall become due and payable within five days thereafter, at the usual place of payment, and any such employer failing or refusing to pay such wages or commissions, after they so become due, upon the demand of such employee or salesperson, at such place of payment, shall be liable to such employee or salesperson from the date of such demand for an additional sum equal to the amount of his or her average daily earnings (PROVIDED IN THE CONTRACT OF EMPLOYMENT) for a full day's work, for every day, not exceeding 15 days in all, until such payment or other settlement satisfactory to the employee or salesperson is made; provided, that if any employee or salesperson having such a contract gives not less than five days' written notice to his or her employer of (HIS) the employee's or salesperson's intention to quit (SUCH EMPLOYMENT) his or her position, the wages or commissions of the employee or salesperson giving such notice shall become due at the usual place of payment 24 hours after (HE) the employee or salesperson so quits or resigns and payment thereof may be demanded accordingly, and the penalty herein provided shall apply in such case from the date of such demand; provided, that if the employer disputes the amount of wages or commissions claimed by such employee or salesperson under the provisions of this section or section 181.13, and the employer in such case makes a legal tender of the amount which (HE) the employer in good faith claims to be due, (HE) the employer shall not be liable for any sum greater than the amount so tendered and interest thereon at the legal rate, unless, in an action brought in a court having jurisdiction, such employee or salesperson recovers a greater sum than the amount so tendered with such interest thereon; and if, in such suit, the employee or salesperson fails to recover a greater sum than that so tendered, with interest as aforesaid, (HE) the employee or salesperson shall pay the cost of such suit, otherwise the cost thereof shall be paid by the employer; provided, that in cases where such discharged or quitting employee or salesperson was, during his or her employment, entrusted with the collection, disbursement, or handling of money or property, the employer shall

have ten secular days after the termination of the employment to audit and adjust the accounts of such employee or salesperson before his or her wages or commissions shall become due and payable, and the penalty herein provided shall apply in such case only from the date of demand made after the expiration of such period allowed for such audit and adjustment; and if, upon such audit and adjustment of the accounts of such employee or salesperson, it is found that any money or property entrusted to (HIM) the employee or salesperson by his or her employer has not been properly accounted for or paid over to the employer, as provided by the terms of the contract of employment, such employee or salesperson shall not be entitled to the benefit of sections 181.13 to 181.17, but the claim for unpaid wages or commissions of such employee or salesperson, if any, shall be disposed of as provided by existing law."

Delete the title and insert:

"A bill for an act relating to labor; adding commissioned salespersons to those covered by Minnesota's law on the prompt payment of wages when employment is terminated; amending Minnesota Statutes 1982, sections 181.13; and 181.14."

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1621, A bill for an act relating to veterans; allowing the American Veterans organization to use space in the Veterans Service Building; amending Minnesota Statutes 1982, section 197.58.

Reported the same back with the following amendments:

Page 1, line 16, after "(Amvets)," insert "Vietnam Veterans of America,"

Amend the title as follows:

Page 1, line 2, delete "the American Veterans"

Page 1, line 3, delete "organization" and insert "certain veterans organizations"

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

The report was adopted.



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

H. F. No. 1655, A bill for an act relating to financial institutions; providing an expedited procedure for certain bank applications; providing a uniform examination cycle for all supervised institutions; providing a time period within which notices of the filing of applications for detached facilities must be published; providing prior notice to the commissioner of a change in the ownership of a state bank; bringing state law into conformity with federal law regarding limitations on loans to bank directors, officers, or employees; providing prior notification to the commissioner of the termination or cancellation of a fidelity bond to a bank; authorizing the commissioner, after notification, to order the bank to take action; clarifying the exclusion of bankers' acceptances from the restrictions upon total liabilities to a bank; extending the time period imposed on a bank for the filing of proof of publication of its quarterly report; modifying the definition of "demand deposits" in light of federal deregulation of interest rates; removing the photo identification requirement from the provisions regulating the opening of checking accounts; making various technical changes; amending Minnesota Statutes 1982, sections 46.04, subdivision 1; 48.03, subdivision 4; 48.08; 48.13; 48.14; 48.24, subdivision 6; 48.48, subdivisions 1 and 2; 48.51; 52.06, subdivision 1; 53.03, subdivision 4; 53.09, subdivision 1; Minnesota Statutes 1983 Supplement, sections 45.04; 47.54, subdivision 1; 48.512, subdivision 2; 52.203; 53.01; 53.03, subdivisions 1 and 5; and 168.67; repealing Minnesota Statutes 1982, sections 47.75, subdivision 2; and 51A.44, subdivision 3.

Reported the same back with the following amendments:

Page 4, after line 3, insert:

"Sec. 2. Minnesota Statutes 1982, section 45.071, is amended by adding a subdivision to read:

*Subd. 2a. [CERTAIN TRUST COMPANIES; SECURED DEPOSIT EXCEPTIONS; VIOLATIONS.] The requirements of this section may be met by trust companies not exercising banking powers, with the exception of deposit activities as defined in this subdivision, provided the following conditions are met:*

*(a) the number of nonfiduciary deposit accounts does not exceed 35, and;*

*(b) the total amount held in nonfiduciary deposit accounts does not exceed five percent of the aggregate of the trust company's capital stock, surplus, and undivided profits, and;*

(c) the nonfiduciary funds deposited with the trust company referred to in (a) and (b) shall be secured against loss by the assignment, transfer to, and deposit with the commissioner of commerce or his designee, of direct obligations of the United States government in an amount, based upon the securities market value, of not less than 110 percent of such deposited funds, with the right of the trust company to collect the income and to substitute other like securities of equal value, and;

(d) each account holder must be disclosed to in writing that the account is not insured by the federal or state governments or their agencies, and;

(e) the determination of the limitations in (a) and (b) shall be made by the trust company from the records of the trust company and based upon statement of financial condition at the close of each business day, and security deposit defined in (c) adjusted if needed within one business day thereafter, and;

(f) any violation of the requirements in (a) through (e) of this subdivision shall be grounds for action by the commissioner under sections 46.24 to 46.33."

Page 6, after line 7, insert:

"Sec. 4. Minnesota Statutes 1982, section 47.204, subdivision 1, is amended to read:

Subdivision 1. [NO USURY LIMITS.] Notwithstanding any law to the contrary, no limitation on the rate or amount of interest, discount points, finance charges or other charges shall apply to a loan, mortgage, credit sale or advance which would have been exempt from the laws of this state pursuant to Pub. L. 96-221, Title V, Part A, Section 501, as amended as of June 2, 1981, but for section 47.203 and which is made in this state after June 2, 1981 and before August 1, (1984) 1987.

Sec. 5. Minnesota Statutes 1983 Supplement, section 53.04, subdivision 3a, is amended to read:

Subd. 3a. (a) The right to make loans, secured or unsecured, at the rates and on the terms and other conditions permitted licensees under chapter 56. Loans made under the authority of chapter 56 must be in amounts in compliance with section 53.05, clause (3), or 56.131, subdivision 1, paragraph (a), whichever is less. The right to extend credit or lend money and to collect and receive charges therefor as provided by chapter 334, or in lieu thereof to charge, collect, and receive interest at the rate of 21.75 percent per annum. The provisions of sections 47.20 and 47.21 do not apply to loans made under this section, except as specifically provided in this subdivision. Nothing in this subdivision is deemed to supersede, repeal, or amend

any provision of section 53.05. A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

(b) Loans made under this section at a rate of interest not in excess of that provided for in paragraph (a) may be secured by real or personal property, or both. If the proceeds of a loan made after August 1, (1984) 1987 are used in whole or in part to satisfy the balance owed on a contract for deed, the rate of interest charged on the loan must not exceed the rate provided in section 47.20, subdivision 4a. If the proceeds of a loan secured by a first lien on the borrower's primary residence are used to finance the purchase of the borrower's primary residence, the loan must comply with the provisions of section 47.20.

(c) A loan made under this section that is secured by real estate and that is in a principal amount of \$7,500 or more and a maturity of 60 months or more may contain a provision permitting discount points, if the loan does not provide a loan yield in excess of the maximum rate of interest permitted by this subdivision. Loan yield means the annual rate of return obtained by a licensee computed as the annual percentage rate is computed under Federal Regulation Z. If the loan is prepaid in full, the licensee must make a refund to the borrower to the extent that the loan yield will exceed the maximum rate of interest provided by this subdivision when the prepayment is taken into account.

Sec. 6. Minnesota Statutes 1982, section 56.12, is amended to read:

**56.12 [ADVERTISING; TAKING OF SECURITY; PLACE OF BUSINESS.]**

No licensee shall advertise, print, display, publish, distribute, or broadcast, or cause or permit to be advertised, printed, displayed, published, distributed, or broadcast, in any manner any statement or representation with regard to the rates, terms, or conditions for the lending of money, credit, goods, or things in action which is false, misleading, or deceptive. The commissioner may order any licensee to desist from any conduct which he shall find to be a violation of the foregoing provisions.

The commissioner may require that rates of charge, if stated by a licensee, be stated fully and clearly in such manner as he may deem necessary to prevent misunderstanding thereof by prospective borrowers. A statement of rates of charge that meets the requirements of the federal Truth-in-Lending Act and regulations thereunder shall be deemed full compliance with this section.

A licensee may take a lien upon real estate as security for any loan exceeding \$2,700 in principal amount made under this chap-

ter. The provisions of sections 47.20 and 47.21 do not apply to loans made under this chapter, except as provided in this section. No loan secured by a first lien on a borrower's primary residence shall be made pursuant to this section if the proceeds of the loan are used to finance the purchase of the borrower's primary residence, unless:

(1) the proceeds of the loan are used to finance the purchase of a manufactured home; or

(2) the proceeds of the loan are used in whole or in part to satisfy the balance owed on a contract for deed. The rate of interest charged on such a loan made after August 1, (1984) 1987, shall not exceed the rate provided in section 47.20, subdivision 4a.

If the proceeds of the loan are used to finance the purchase of the borrower's primary residence, the licensee shall consent to the subsequent transfer of the real estate if the existing borrower continues after transfer to be obligated for repayment of the entire remaining indebtedness. The licensee shall release the existing borrower from all obligations under the loan instruments, if the transferee (1) meets the standards of credit worthiness normally used by persons in the business of making loans, including but not limited to the ability of the transferee to make the loan payments and satisfactorily maintain the property used as collateral, and (2) executes an agreement in writing with the licensee whereby the transferee assumes the obligations of the existing borrower under the loan instruments. Any such agreement shall not affect the priority, validity or enforceability of any loan instrument. A licensee may charge a fee not in excess of one-tenth of one percent of the remaining unpaid principal balance in the event the loan is assumed by the transferee and the existing borrower continues after the transfer to be obligated for repayment of the entire assumed indebtedness. A licensee may charge a fee not in excess of one percent of the remaining unpaid principal balance in the event the remaining indebtedness is assumed by the transferee and the existing borrower is released from all obligations under the loan instruments, but in no event shall the fee exceed \$150.

A licensee making a loan under this chapter secured by a lien on real estate shall comply with the requirements of section 47.20, subdivision 8.

No licensee shall conduct the business of making loans under this chapter within any office, room, or place of business in which any other business is solicited or engaged in, or in association or conjunction therewith, if the commissioner finds that the character of the other business is such that it would facilitate evasions of this chapter or of the rules and regulations lawfully made hereunder. The commissioner may promulgate rules dealing with such other businesses.

No licensee shall transact the business or make any loan provided for by this chapter under any other name or at any other place of business than that named in the license. No licensee shall take any confession of judgment or any power of attorney. No licensee shall take any note or promise to pay that does not accurately disclose the principal amount of the loan, the time for which it is made, and the agreed rate or amount of charge, nor any instrument in which blanks are left to be filled in after execution. Nothing herein is deemed to prohibit the making of loans by mail."

Page 7, line 32, before "\$25,000" insert "(a)" and before "five" insert "(b)"

Page 7, line 33, delete the first comma and after "less" insert a comma

Page 8, line 22, after "termination" insert "*at the request of the underwriter*"

Page 10, line 3, reinstate the stricken language

Page 10, line 4, after "signature" insert a period and "*A valid Wisconsin driver's license without a photograph may be accepted in satisfaction of the requirement of this paragraph until January 1, 1985*"

Page 20, after line 22, insert:

"Sec. 25. Minnesota Statutes 1982, section 51A.50, is amended to read:

**51A.50 [FEDERAL SAVINGS ASSOCIATIONS AND SAVINGS BANKS.]**

Federal savings associations, *federal savings banks*, or federal savings and loan associations, incorporated pursuant to the laws of the United States, as now or hereafter amended, are not foreign corporations or foreign associations. Unless federal laws or regulations provide otherwise, federal associations, *federal savings banks*, and the members or stockholders thereof shall possess all of the rights, powers, privileges, benefits, immunities, and exemptions that are now provided or that hereafter may be provided by the laws of this state for *savings* associations organized under the laws of this state and for the members or stockholders thereof. This provision is additional and supplemental to any provision which, by specific reference, is applicable to federal associations and the members or stockholders thereof. *Federal savings banks shall possess all of the rights, powers, privileges, benefits, immunities, liabilities, and exemptions that are now provided or that hereafter may be provided by the laws of this state for federal savings and loan associations.*

Sec. 26. Minnesota Statutes 1983 Supplement, section 332.50, subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever issues any check that is dishonored and is not paid within 30 days after mailing a notice of dishonor and a copy of sections 332.50 and 609.535 in compliance with subdivision 3, is liable to the holder for the amount of the check plus a civil penalty of up to \$100, interest at the rate payable on judgments pursuant to section 549.09 on the face amount of the check from the date of dishonor, and reasonable attorney fees if the amount of the check is over \$1,250 (, AND).

A service charge not exceeding \$15 may be imposed immediately on any dishonored check, regardless of mailing a notice of dishonor, if written notice of the service charge was conspicuously displayed on the premises when the check was issued.

This subdivision prevails over any provision of law limiting, prohibiting, or otherwise regulating service charges authorized by this subdivision."

Page 20, line 27, delete "21" and insert "27"

Renumber the sections accordingly

Amend the title as follows:

Page 1, line 5, after the semicolon insert "extending the temporary removal of mortgage usury limits;"

Page 1, line 24, after the first semicolon insert "clarifying service charges on dishonored checks;"

Page 1, line 25, after "sections" insert "45.071, by adding a subdivision;"

Page 1, line 26, after "1;" insert "47.204, subdivision 1;"

Page 1, line 27, after "48.51;" insert "51A.50;"

Page 1, line 29, after "1;" insert "and 56.12;"

Page 1, line 32, after the first semicolon delete "and" and insert "53.04, subdivision 3a;" and before "repealing" insert "and 332.50, subdivision 2;"

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. 1659, A bill for an act relating to commerce; prohibiting limited partnerships from interposing the defense of usury; amending Minnesota Statutes 1982, section 334.021.

Reported the same back with the following amendments:

Page 1, line 13, strike "and any" and insert a comma

Page 1, line 14, reinstate "association" and delete "*associations and any*" and insert a comma

Page 1, line 15, delete "332A" and insert "322A"

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

The report was adopted.

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

H. F. No. 1678, A bill for an act relating to insurance; providing for the suspension of authority of self-insurance entities or self-insurers; modifying certain existing fees and providing certain new fees; transferring certain duties of the commissioner of commerce to the commissioner of revenue; establishing certain taxation filing requirements; providing for agent license renewals; authorizing the issuance of orders to show cause relating to license revocations; modifying certain insurance licensing dates; providing for the service of process on foreign companies and unauthorized insurers; removing the countersignature requirement for certain bid bonds and insurance policies; removing an exemption from regulation for certain self-insurance plan administrators and vendors of risk management services; providing for the use of health insurance claim forms; providing for the use of fire insurance binders; modifying the definitions of "motorcycle," "motor vehicle," "policy," and "utility vehicle" for purposes of automobile insurance regulation; increasing certain liability coverage on automobile insurance plan policies; providing for the cancellation or nonrenewal of a policy; defining "plan of reparation security"; requiring certain premium reports to be filed with the commissioner; prohibiting discrimination based on sex or marital status; modifying the expiration date of adjuster's licenses; providing for the appointment of the board of the compensation reinsurance association; making various technical changes; providing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1982, sections 60A.13, by adding a subdivision; 60A.15, subdivisions 1, 2, 2a, 6, 8, 9,

10, and by adding subdivisions; 60A.17, subdivisions 3, 5b, and by adding a subdivision; 60A.18, subdivision 3; 60A.19, subdivision 4; 60A.199; 60A.21, subdivision 2; 60A.23, subdivision 5; 62A.025; 65A.03; 65B.001, subdivision 4; 65B.06, subdivision 2; 65B.14, subdivisions 2 and 3; 65B.16; 65B.19; 65B.43, subdivisions 2, 13, and by adding a subdivision; 69.021, subdivisions 1, 2, 3, and by adding a subdivision; 69.58; 69.59; 72A.061, subdivision 2; 72A.07; 72A.20, by adding a subdivision; 72A.23, subdivision 1; 72B.04, subdivisions 7 and 10; 79.10; 176.181, subdivision 2, and by adding a subdivision; 271.01, subdivision 5; 299F.21; 299F.22; 299F.23; 299F.24; 299F.26, subdivisions 1 and 2; 424.165, subdivision 1; and 574.32; Minnesota Statutes 1983 Supplement, sections 60A.05; 60A.14, subdivision 1; 60A.15, subdivisions 11 and 12; 60A.17, subdivisions 1a, 1d, and 6c; 60A.1701, subdivision 5; 60A.198, subdivision 3; 60A.23, subdivision 8; 65A.01, subdivision 3; 65B.17, subdivision 1; 69.011, subdivision 1; and 79.37; proposing new law coded in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; and 65B.48, subdivision 8.

Reported the same back with the following amendments:

Page 3, after line 27, insert:

"Sec. 3. Minnesota Statutes 1982, section 60A.13, subdivision 6, is amended to read:

Subd. 6. [COMPANY OR AGENT CANNOT CONTINUE BUSINESS UNLESS STATEMENT IS FILED.] No company (OR AGENT THEREOF) shall transact any new business in this state after May thirty-first in any year unless it shall have previously transmitted (THE) *its annual* statement to the commissioner and filed (THE) *a copy of its* statement with the National Association of Insurance Commissioners (WITH THE REQUIRED FILING FEE). *The commissioner may annually require that each insurer pay the required fee to the National Association of Insurance Commissioners for the filing of annual statements.*"

Page 13, line 4, after "commissioner" insert "of revenue"

Page 29, after line 12, insert:

"Sec. 27. Minnesota Statutes 1983 Supplement, section 60A.1701, subdivision 10, is amended to read:

Subd. 10. [REPORTING.] (a) After completing the minimum education requirement, each person subject to this section shall file or cause to be filed a compliance report (ANNUALLY) in accordance with the procedures adopted by the commissioner.



(b) Each compliance report must be accompanied by an annual continuing education fee of \$5 payable to the state of Minnesota for deposit in the general fund.

(c) An institution offering an accredited course shall comply with the procedure for reporting compliance adopted by the commissioner.

(d) If a person subject to this section completes a non-accredited course, he may submit a written report to the advisory committee accompanied by a fee of not more than \$10 payable to the state of Minnesota for deposit in the general fund. This report must be accompanied by proof satisfactory to the commissioner that the person has completed the minimum education requirement for the annual period during which the non-accredited course was completed. Upon the recommendation of the advisory committee that the course satisfies the criteria for course accreditation, the commissioner may approve the non-accredited course and shall so inform the person. If the non-accredited course is approved by the commissioner, it may be used to satisfy the minimum education requirement for the person's next annual compliance period.

Sec. 28. Minnesota Statutes 1983 Supplement, section 60A.1701, subdivision 11, is amended to read:

Subd. 11. [ENFORCEMENT.] If a person subject to this section fails to complete the minimum education or reporting requirement or to pay the prescribed fees for any annual period, no license may be renewed or continued in force for that person for any class of insurance *beginning June 1 of the year due and that person may not act as an insurance agent until the person has demonstrated to the satisfaction of the commissioner that all requirements of this section have been complied with or that a waiver or extension has been obtained.*

(IF A PERSON SUBJECT TO THIS SECTION FAILS TO FILE A COMPLIANCE REQUEST OR A REQUEST FOR A WAIVER OR EXTENSION WITH THE COMMISSIONER WITHIN 30 DAYS OF THE DATE ON WHICH THE PERSON IS REQUIRED TO REPORT, THE COMMISSIONER MAY ISSUE AN ORDER SUMMARILY SUSPENDING THAT PERSON'S LICENSE. THE ORDER IS EFFECTIVE UPON SERVICE ON THE PERSON BY FIRST CLASS MAIL AT HIS LAST KNOWN ADDRESS ON FILE WITH THE COMMISSIONER. A PERSON WHOSE LICENSE HAS BEEN SUMMARILY SUSPENDED UNDER THIS SUBDIVISION MAY, WITHIN 15 DAYS OF THE DATE OF THE ORDER, REQUEST A HEARING TO BE CONDUCTED ACCORDING TO THE PROVISIONS OF CHAPTER 14. THE HEARING MUST BE HELD WITHIN 15 DAYS OF THE COMMISSIONER'S RECEIPT OF THE REQUEST, BUT THE PER-

SON MAY AGREE TO AN EXTENSION. THE SUMMARY SUSPENSION REMAINS IN EFFECT PENDING THE OUTCOME OF THE HEARING.)”

Pages 38 to 41, delete section 32 and insert:

“Sec. 35. Minnesota Statutes 1982, section 61A.03, is amended by adding a subdivision to read:

*Subd. 2a. No life insurer subject to this section is required to file more than one policy with a policy loan provision providing for a fixed rate of interest.”*

Page 48, line 17, after “*property*” insert “, provided that a mortgagee or lender shall not be required to accept renewal or extension thereof”

Page 48, line 21, delete “*evidence*” and insert “*evidenced*”

Page 59, line 19, strike “by shareholders or members”

Page 59, line 20, strike “of the company”

Page 74, line 11, delete everything after “*sections*” and insert “2, 5 to 19, 31, 32, 52 to 55, 66 to 73, 75, and 77”

Page 74, line 12, delete “74”

Page 74, line 14, delete “73” and insert “76”

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert “clarifying annual statement filing requirements;”

Page 1, line 10, after the semicolon insert “clarifying continuing education reporting requirements;”

Page 1, line 14, delete “removing”

Page 1, delete lines 15 and 16

Page 1, line 17, delete “management services;” and insert “clarifying policy form filing requirements;”

Page 1, line 33, after “60A.13,” insert “subdivision 6, and”

Page 1, line 38, after “5;” insert “61A.03, by adding a subdivision;”

Page 2, line 6, delete "subdivision 5" and insert "subdivisions 5, 10, and 11"

Page 2, line 7, delete "60A.23, subdivision 8;"

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

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1699, A bill for an act relating to state lands; terminating a possible right of reversion to the state in certain real estate.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1711, A bill for an act relating to state lands; transferring to Renville county the picnic grounds area of Birch Coulee battlefield state historic site; appropriating money; amending Minnesota Statutes 1982, section 138.025, subdivision 11.

Reported the same back with the following amendments:

Page 1, line 18, after "*park*" insert "*without jeopardy to the historical integrity of the battlefield area*"

Page 2, line 9, strike "state park" and insert "*historic site*"

Page 2, line 11, strike "state park" and insert "*historic site*"

Page 2, line 17, strike "state park" and insert "*historic site*"

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

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1761, A bill for an act relating to taxation; releasing certain counties from the requirement to impose an aggregate removal tax; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 12, reinstate "Becker,"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1786, A bill for an act relating to the military; modifying the qualifications of the adjutant general; changing the appointment of assistant adjutant generals; mandating termination of an officer's commission when federal recognition is withdrawn; expanding the power of the adjutant general to sell an armory; and expanding the use of the proceeds from the sale of an armory; amending Minnesota Statutes 1982, sections 190.07; 190.08, subdivisions 1, 3, and 4; 190.09; 192.18, subdivision 1; and 193.36, subdivision 2; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3.

Reported the same back with the following amendments:

Amend the title as follows:

Page 1, line 4, delete "adjutant generals" and insert "adjutants general"

Page 1, line 11, delete "; repealing Minnesota"

Page 1, line 12, delete everything before the period

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. 1801, A bill for an act relating to transportation; defining terms; regulating carriers; providing for the classification of explosives; amending Minnesota Statutes 1982, sections 221.011, subdivision 13; 221.296, subdivision 6; 299F.19, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 221.011, subdivisions 3 and 21; 221.021; 221.025; 221.031, subdivisions 1, 2, 3, 5, and 6; 221.071, subdivision 1; 221.121, subdivisions 1 and 5; 221.185, subdivisions 1, 2, 3, 4, 5, and by adding subdivisions; 221.221, subdivision 4; 221.81, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, section 169.76; Minnesota Statutes 1983 Supplement, sections 221.031, subdivision 4; and 221.185, subdivisions 6, 7, and 8.

Reported the same back with the following amendments:

Page 2, line 28, delete "vehicles" and insert "a school bus"

Page 5, after line 28, insert:

*"(c) The requirements as to driver qualifications and maximum hours of service for drivers do not apply to private carriers who are public utilities as defined in section 216B.02, subdivision 4, or cooperative electric associations organized under chapter 308."*

Page 5, line 29, delete "(c)" and insert "(d)"

Page 6, delete section 9

Page 6, after line 29, insert:

*"The vehicle identification rule of the commissioner must incorporate the marking requirements imposed on private carriers by the United States department of transportation under 49 C.F.R., section 397.21, clauses (b) and (c), and may not be more stringent than those requirements."*

Pages 8 to 11, delete sections 12 and 13

Page 12, after line 22, insert:

"Sec. 13. Minnesota Statutes 1983 Supplement, section 221.131, subdivision 1, is amended to read:

Subdivision 1. [PERMIT RENEWAL.] Permits issued under section 221.121 are effective for a 12-month period. Each permit must be renewed annually and each permit holder shall have one annual renewal date encompassing all of the permits

held by him. (EXCEPT AS PROVIDED IN SECTION 221.185, THE BOARD SHALL CONSIDER A PETITION FOR REINSTATEMENT OF A REVOKED OR SUSPENDED PERMIT UPON THE SAME PROCEDURE REQUIRED FOR AN INITIAL PETITION.)”

Page 14, line 35, delete everything after the period

Page 14, delete line 36

Page 15, delete lines 1 and 2

Page 17, line 31, delete “28” and insert “26”

Renumber sections in sequence

Amend the title as follows:

Page 1, line 8, delete “5,”

Page 1, line 9, delete “221.071, subdivision 1;” and “subdivisions 1”

Page 1, line 10, delete the first “and” and insert “subdivision”

Page 1, line 10, after the semicolon, insert “221.131, subdivision 1;”

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 1856, A bill for an act relating to charities; requiring disclosure from professional fund raisers; amending Minnesota Statutes 1982, section 309.556.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 560, 1405, 1459, 1460, 1462, 1496, 1522, 1528, 1557, 1562, 1621, 1655, 1659, 1699, 1761, 1786, 1801 and 1856 were read for the second time.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House Files were introduced:

Dimler and Schreiber introduced:

H. F. No. 2007, A bill for an act relating to taxation; sales; providing a reduced rate for farm machinery and business equipment; amending Minnesota Statutes 1982, section 297A.01, subdivision 15, and by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 297A.02, subdivision 2; and 297A.14.

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

Seaberg introduced:

H. F. No. 2008, A bill for an act relating to local government; authorizing county employees to make certain contracts; amending Minnesota Statutes 1982, section 382.18.

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

Kelly and Tomlinson introduced:

H. F. No. 2009, A bill for an act relating to taxation; modifying and clarifying the small business investment credits; amending Minnesota Statutes 1983 Supplement, section 290.069, subdivisions 1, 2, 4, 5, and by adding subdivisions.

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

Coleman introduced:

H. F. No. 2010, A bill for an act relating to education; requiring that public schools instruct senior high school pupils in parenting and family life; proposing new law coded in Minnesota Statutes, chapter 126.

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

Carlson, D., introduced :

H. F. No. 2011, A bill for an act relating to agriculture; providing for the control of pseudorabies in swine; appropriating money; amending Minnesota Statutes 1983 Supplement, section 35.255.

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

Ellingson; Rodriguez, C.; Anderson, G., and Hoffman introduced :

H. F. No. 2012, A bill for an act relating to local government; providing for financing of county and county regional jails; amending Minnesota Statutes 1982, sections 641.24; and 641.264, subdivision 1.

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

Bergstrom; Nelson, D.; Rose; Hoffman and Nelson, K., introduced :

H. F. No. 2013, A bill for an act relating to education; establishing three summer institutes for math and science; specifying application and selection procedures; appropriating money; proposing new law coded in Minnesota Statutes, chapter 121.

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

Clawson, Coleman, Simoneau, McEachern and Levi introduced :

H. F. No. 2014, A bill for an act relating to education; expanding the subject area in-service training program; requiring the commissioner to determine student needs; authorizing planning grants; appropriating money; amending Minnesota Statutes 1983 Supplement, section 121.601.

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



Coleman, Riveness, Simoneau, McEachern and Levi introduced:

H. F. No. 2015, A bill for an act relating to education; establishing a school management task force; appropriating money.

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

Tomlinson introduced:

H. F. No. 2016, A bill for an act relating to taxation; repealing the income tax surtax; appropriating money to the budget reserve account; amending Minnesota Statutes 1983 Supplement, section 16A.15, subdivision 6; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Clawson, Greenfield, Brandl, Levi and McEachern introduced:

H. F. No. 2017, A bill for an act relating to commitment; defining provisional discharge; prohibiting the provisional release of a mentally ill and dangerous patient from secure confinement; amending Minnesota Statutes 1982, sections 253B.02, by adding a subdivision; and 253B.18, subdivision 7.

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

Tomlinson introduced:

H. F. No. 2018, A bill for an act relating to the Ramsey-Washington metro watershed district; providing for the establishment of a district water maintenance and repair fund; authorizing a tax levy for water maintenance and repair purposes.

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

Neuenschwander introduced :

H. F. No. 2019, A bill for an act relating to game and fish; regulating enforcement of the laws relating to wild animals; providing for reciprocity with other governments; amending Minnesota Statutes 1982, section 97.501.

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

Swanson and Gruenes introduced :

H. F. No. 2020, A bill for an act relating to health; changing certain hospital cost reporting requirements; adding reporting requirements for outpatient surgical centers; deleting hospital rate review requirements; adding provisions for fines; deleting obsolete language; amending Minnesota Statutes 1982, sections 144.695; 144.696; 144.698; 144.699; 144.701; 144.702; and 144.703; repealing Minnesota Statutes 1982, sections 144.7021; 144.704; and 144.705.

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

Wynia, Norton and Nelson, K., introduced :

H. F. No. 2021, A bill for an act relating to motor fuels; prohibiting lead compounds and EDB additives in gasoline; amending Minnesota Statutes 1982, section 296.05, by adding a subdivision.

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

Greenfield, Wynia and Rice introduced :

H. F. No. 2022, A bill for an act relating to economic security; clarifying the emergency employment development jobs program; regulating the payment of cash allowances; amending Minnesota Statutes 1983 Supplement, sections 256D.111, subdivision 2; 256D.112; 268.80; and 268.81.

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

Ellingson introduced:

H. F. No. 2023, A bill for an act relating to the office of the secretary of state; providing for the simplification of various filings with that office; eliminating or transferring certain filings; providing for uniform standards for the filing of names of limited partnerships, corporations, cooperatives, and assumed names and marks; eliminating the requirement of publication after incorporation; shifting the time of publication of certificate of assumed name; providing for the filing and enforcement of security interests; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the modification in bylaws of a certain provision relating to the voting power of shares; providing a time limit on claims to shareholders; delaying the effective date of the corporate registration requirement; amending Minnesota Statutes 1982, sections 35.14; 62C.06, subdivision 3; 62G.08, subdivision 2; 66A.08, subdivision 4; 72A.43, subdivisions 1 and 2; 121.212, subdivision 3; 169.966, subdivision 7; 272.483; 297.04, subdivision 3; 302A.111, subdivisions 2 and 3; 302A.115, subdivision 1; 302A.131; 302A.445, subdivision 3; 302A.729, subdivisions 1 and 2; 302A.733, subdivision 2; 303.06, subdivision 1; 303.13, subdivisions 1 and 3; 303.17, subdivision 3; 315.15; 315.20, subdivisions 2 and 3; 315.23, subdivision 2; 315.32; 315.365, subdivision 2; 317.09, subdivision 2; 318.02, subdivision 1; 322A.02; 322A.86; 325D.67, subdivisions 5 and 6; 331.02, subdivision 1; 333.001, subdivisions 3 and 4; 333.01; 333.02; 333.035; 333.055, subdivision 1; 333.06; 333.19, subdivision 1; 333.21, subdivision 1; 336.9-402; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 362A.01, subdivision 1; 365.46; 379.05; 507.10; 540.152; 543.08; Minnesota Statutes 1983 Supplement, sections 53.03, subdivisions 5 and 6; 300.083, subdivision 6; 302A.521, subdivision 6; 336.9-401; 507.09; and 648.39, subdivision 1; Laws 1981, chapter 270, section 144; repealing Minnesota Statutes 1982, sections 5.11; 51A.03, subdivision 5; 62C.06, subdivision 4; 308.15, subdivision 3; and 507.31, subdivision 2.

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

McKasy, Valento, Findlay and Dimler introduced:

H. F. No. 2024, A bill for an act relating to taxation; income; adopting federal income tax limitations on charitable contributions; amending Minnesota Statutes 1983 Supplement, section 290.089.

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

McKasy, Kelly, Schreiber, Dempsey and Vanasek introduced:

H. F. No. 2025, A bill for an act relating to taxation; income; allowing an itemized deduction for certain foreign taxes; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

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

McKasy, Findlay, Dimler and Valento introduced:

H. F. No. 2026, A bill for an act relating to taxation; income; conforming to federal law for treatment of contributions to individual retirement plans and other pension plans; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

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

Olsen and Piepho introduced:

H. F. No. 2027, A bill for an act relating to elections; requiring timely mailing of absentee ballots to certain voters; amending Minnesota Statutes 1982, section 203B.22.

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

Burger introduced:

H. F. No. 2028, A bill for an act relating to teachers; extending the deadline to gain the middle school experience necessary for a license to July 1, 1984.

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

Battaglia introduced:

H. F. No. 2029, A bill for an act relating to waters; restricting permits for charter houseboats on Lake Vermillion.

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

McDonald introduced :

H. F. No. 2030, A bill for an act relating to hazardous waste management; requiring a report to the legislature on compensation for damage resulting from the site selection process for commercial disposal facilities; amending Minnesota Statutes 1982, section 115A.08, by adding a subdivision.

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

McDonald introduced :

H. F. No. 2031, A bill for an act relating to metropolitan government; removing certain watersheds from the metropolitan surface water management program; amending Minnesota Statutes 1982, section 473.876, subdivision 7.

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

McDonald introduced :

H. F. No. 2032, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Price and Hoffman introduced :

H. F. No. 2033, A bill for an act relating to the city of Oakdale; providing a permanent increase in the levy limit base.

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

Jensen, Welle and Rodriguez, F., introduced :

H. F. No. 2034, A bill for an act relating to snowmobiles; requiring liability insurance coverage; proposing new law coded in Minnesota Statutes, chapter 84.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Kalis introduced:

H. F. No. 2035, A bill for an act relating to medical assistance; removing the age 65 limitation for medical assistance recovery from a decedent's estate; amending Minnesota Statutes 1982, section 256B.15.

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

Minne, Ellingson, Begich and Battaglia introduced:

H. F. No. 2036, A bill for an act relating to real property; providing that the mortgage and contract for deed moratorium become permanent law; applying moratorium to holders of any mortgage or contract for deed to homestead property; abolishing exclusionary provision; allowing mortgagor to petition for postponement of foreclosure sale for up to 12 months; allowing catastrophic medical expenses to be considered by a court when determining delay of foreclosure sale; providing that the equity in the property may be considered by a court; abolishing sunset provision; amending Minnesota Statutes 1983 Supplement, sections 47.20, subdivision 15; 559.21, subdivision 6; 580.031; 583.03; 583.04; 583.05; and 583.08; Laws 1983, chapter 215, section 16.

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

Staten introduced:

H. F. No. 2037, A bill for an act relating to commerce; requiring state agencies to make prompt payment for the purchase or lease of goods and services; requiring agencies to pay interest penalties on late payments; requiring an annual report to the legislature on agency payment records; proposing new law coded in Minnesota Statutes, chapter 16.

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

Clawson introduced:

H. F. No. 2038, A bill for an act relating to local government; providing procedures for making certain contracts; amending Minnesota Statutes 1983 Supplement, section 471.345, subdivision 5.

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

Ellingson, Vanasek, Forsythe and Bishop introduced :

H. F. No. 2039, A bill for an act relating to commerce; providing for the computation of interest on mechanics' lien claims; proposing new law coded in Minnesota Statutes, chapter 514.

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

Ludeman, Welker, Fjoslien, Ogren and Carlson, D., introduced :

H. F. No. 2040, A bill for an act relating to state lands; requiring the commissioner of natural resources to offer certain lands for homesteading; requiring improvements by homesteaders within a certain time period; proposing new law coded as Minnesota Statutes, chapter 92A.

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

Vellenga and Sarna introduced :

H. F. No. 2041, A bill for an act relating to eminent domain; providing for relocation benefits for persons displaced by acquisitions when federal funding is not provided; amending Minnesota Statutes 1982, section 117.52.

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

Ogren and Carlson, D., introduced :

H. F. No. 2042, A bill for an act relating to state departments and agencies; moving the state archaeologist from the historical society to the University of Minnesota; amending Minnesota Statutes 1982, sections 138.31, subdivisions 2, 5, 9, 10, and by adding a subdivision; 138.33; 138.34; 138.35; 138.36; 138.37, subdivision 2; 138.38; 138.39; 138.40; and 138.41; repealing Minnesota Statutes 1982, sections 138.31, subdivision 8; and 138.37, subdivision 3.

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

Norton, Quinn and Wynia introduced :

H. F. No. 2043, A bill for an act relating to banks and banking; authorizing interstate acquisition and formation of banks between this state and certain states on a reciprocal basis; proposing new law coded in Minnesota Statutes, chapter 48.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Sparby and Eken introduced :

H. F. No. 2044, A bill for an act relating to education; allowing the higher education coordinating board to prorate the obligation to repay loans for doctors who serve part time in an area of need; amending Minnesota Statutes 1982, section 147.30.

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

Himle, Jennings, Osthoff, Begich and Schreiber introduced :

H. F. No. 2045, A bill for an act relating to outdoor recreation; repealing licensing requirements for cross country skiers; repealing Minnesota Statutes 1983 Supplement, sections 85.40; 85.41; 85.42; 85.43; 85.44; 85.45; and Laws 1983, chapter 325, section 8.

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

Evans and Anderson, R., introduced :

H. F. No. 2046, A bill for an act relating to financial institutions; requiring disclosure of the state and federal income tax treatment of individual retirement accounts; proposing new law coded in Minnesota Statutes, chapter 47.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.



Anderson, B., introduced :

H. F. No. 2047, A bill for an act relating to transportation; authorizing the expenditure of county turnback account funds and state transportation bond funds for bridges ten feet or more in length following replacement; amending Minnesota Statutes 1982, section 174.50, subdivision 7; and Minnesota Statutes 1983 Supplement, section 161.082, subdivision 2a.

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

Greenfield, Staten and Clark, K., introduced :

H. F. No. 2048, A bill for an act relating to public welfare; increasing the personal needs allowance for residents of certain facilities; amending Minnesota Statutes 1982, section 256B.35, subdivision 1.

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

Greenfield; Rodriguez, C.; Murphy; Segal and Hokr introduced :

H. F. No. 2049, A bill for an act relating to vital statistics; providing for collection of statistical data concerning the dissolution or annulment of marriage; appropriating money; amending Minnesota Statutes 1982, section 144.224; proposing new law coded in Minnesota Statutes, chapter 518.

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

Greenfield, Staten and Reif introduced :

H. F. No. 2050, A bill for an act relating to public welfare; allowing reimbursement for certain services under the state general assistance medical care program; amending Minnesota Statutes 1983 Supplement, section 256D.03, subdivision 4.

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

Kalis, Eken, Valan and Anderson, G., introduced:

H. F. No. 2051, A bill for an act relating to agriculture; authorizing the energy and economic development authority to purchase, make, or participate in farm loans and to issue bonds or notes for this purpose; amending Minnesota Statutes 1983 Supplement, section 116J.88, subdivisions 7 and 7a; 116J.90, subdivisions 1 and 3; and proposing new law coded in Minnesota Statutes, chapter 116J.

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

Reif, Forsythe, Wynia and DenOuden introduced:

H. F. No. 2052, A bill for an act relating to public welfare; providing for the recoupment and set-off of overpayments in the general assistance program; extending the right of a welfare agency to reimbursement for medical assistance paid by other sources to a recipient of Minnesota supplemental aid; placing the primary reimbursement on the recipient; amending Minnesota Statutes 1982, section 256D.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 256D.06, subdivision 5.

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

Nelson, D.; Nelson, K.; Tomlinson; Jennings and Kostohryz introduced:

H. F. No. 2053, A bill for an act relating to education; establishing a research and development program; authorizing preliminary studies and research grants; appropriating money; proposing new law coded in Minnesota Statutes, chapter 129B.

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

Greenfield; Clark, K., and Staten introduced:

H. F. No. 2054, A bill for an act relating to the medical assistance program; increasing the personal needs allowance; amending Minnesota Statutes 1982, section 256B.35, subdivision 1.

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

Ogren, Clark, J., and Vanasek introduced:

H. F. No. 2055, A bill for an act relating to sentencing; permitting courts to utilize a variety of noninstitutional sanctions as a condition of a stayed sentence; providing a preference for noninstitutional sanctions in certain cases; amending Minnesota Statutes 1982, section 609.135, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 609.135, subdivision 1.

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

Piepho, Skoglund, Wynia and Haukoos introduced:

H. F. No. 2056, A bill for an act relating to labor; creating an employees social responsibility act; providing penalties; proposing new law coded in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Piepho, Kvam, Findlay, Gruenes and Dempsey introduced:

H. F. No. 2057, A bill for an act relating to taxation; sales; exempting sales by certain organizations; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

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

Staten, Skoglund and Ogren introduced:

H. F. No. 2058, A bill for an act relating to licenses; regulating athlete agencies; providing penalties; proposing new law coded as Minnesota Statutes, chapter 342.

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

Begich, Sarna, Battaglia, Ogren and Elioff introduced:

H. F. No. 2059, A bill for an act relating to commerce; requiring motor vehicle manufacturers to reimburse vehicle owners for rental car expenses incurred under certain circumstances; amending Minnesota Statutes 1983 Supplement, section 325F.665, subdivision 2.

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

Greenfield, St. Onge, Reif and Murphy introduced:

H. F. No. 2060, A bill for an act relating to public welfare; requiring county boards to provide services to mentally ill persons; specifying duties of the commissioner; authorizing rule-making; proposing new law coded as Minnesota Statutes, chapter 253C.

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

Coleman introduced:

H. F. No. 2061, A bill for an act relating to education; requiring that public schools instruct senior high school pupils in parenting and family life; providing categorical aid; appropriating money; proposing new law coded in Minnesota Statutes, chapters 124 and 126.

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

Coleman introduced:

H. F. No. 2062, A bill for an act relating to state departments; providing statutory changes requested by commissioner of administration required by reorganization orders; amending Minnesota Statutes 1982, sections 60A.15, subdivisions 1, 2, 8, 9, 10, and by adding a subdivision; 69.021, subdivision 2; 69.031, subdivision 6; 116C.03, subdivision 4; 116J.64, subdivisions 5 and 7; and 161.20, subdivision 4; Minnesota Statutes 1983 Supplement, sections 60A.15, subdivision 12; 116C.03, subdivision 2; 116J.01, subdivision 3; 116J.42, subdivisions 4 and 9; 161.465; and 299A.-

04; Laws 1983, chapter 289, section 115, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1982, section 116C.04, subdivisions 5 and 6.

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

Anderson, G.; Sieben and Schreiber introduced:

H. F. No. 2063, A bill for an act relating to the metropolitan airports commission; defining its relationship to the legislature and the metropolitan council; proposing new law coded in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1982, sections 473.611, subdivision 5; and 473:621, subdivision 6.

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

Fjoslien; Carlson, D.; Uphus and Battaglia introduced:

H. F. No. 2064, A bill for an act relating to taxation; sales; exempting taxidermy; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

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

Metzen introduced:

H. F. No. 2065, A bill for an act relating to Independent School District No. 196; authorizing it to establish and operate a non-profit corporation for the benefit of students; requiring local approval.

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

Simoneau introduced:

H. F. No. 2066, A bill for an act relating to state government; providing for the express rejection of the recommended salary plans for constitutional officers, legislators, justices of the supreme court, and judges of the court of appeals, district court, county court, and county municipal court.

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

Greenfield; Wynia; Rodriguez, C.; Kahn and Coleman introduced:

H. F. No. 2067, A bill for an act relating to occupations and professions; prohibiting the boards of medical examiners and psychology from using evidence of the previous sexual conduct of a patient or client in board proceedings concerning unprofessional conduct; proposing new law coded in Minnesota Statutes, chapters 147 and 148.

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

Greenfield, Wynia, Kahn and Coleman introduced:

H. F. No. 2068, A bill for an act relating to occupations and professions; establishing a task force on sexual exploitation by psychotherapists.

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

Graba, Krueger and Rodosovich introduced:

H. F. No. 2069, A bill for an act relating to taxation; income; providing that certain social security and railroad retirement benefits are not included in gross income; amending Minnesota Statutes 1982, section 290.08, by adding a subdivision.

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

Jacobs introduced:

H. F. No. 2070, A bill for an act relating to communications; deregulating radio common carriers; amending Minnesota Statutes 1982, section 237.01, subdivision 2, and by adding a subdivision.

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

Vanasek introduced:

H. F. No. 2071, A bill for an act relating to real property; clarifying when the right of possession passes after a sale on execution or judgment or mortgage foreclosure; amending Minnesota Statutes 1982, section 566.03, subdivision 1.

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

Rodriguez, F.; Metzen and Clawson introduced:

H. F. No. 2072, A bill for an act relating to retirement; allowing certain St. Paul bureau of health employees to revoke options previously exercised.

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

Kalis, Haukoos and Kelly introduced:

H. F. No. 2073, A bill for an act relating to taxation; providing temporary property tax and sales tax exemptions for certain meat processing plants; amending Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 297A.

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

Long introduced:

H. F. No. 2074, A bill for an act relating to municipal housing; letting of contracts; increasing the amount of expenditures for construction and other work that requires an award by contract; amending Minnesota Statutes 1982, section 462.461, subdivisions 1, 2, and 3.

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

Sparby and Tunheim introduced:

H. F. No. 2075, A bill for an act relating to taxation; extending the disaster credit to certain agricultural homesteads; amending Minnesota Statutes 1982, section 273.123.

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

Sarna, Battaglia, Beard, Rose and Kelly introduced:

H. F. No. 2076, A bill for an act relating to game and fish; restrictions on power of commissioner; amending Minnesota Statutes 1982, section 97.48, subdivision 1.

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

Cohen introduced:

H. F. No. 2077, A bill for an act relating to probate; providing for the transmission of documents to foreign consuls by the office of the secretary of state; amending Minnesota Statutes 1982, section 524.3-403.

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

Otis introduced:

H. F. No. 2078, A bill for an act relating to landlords and tenants; increasing the interest rate paid by landlords on rental deposits; amending Minnesota Statutes 1982, section 504.20, subdivision 2.

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

Segal, Piper, Voss and Otis introduced:

H. F. No. 2079, A bill for an act relating to energy; authorizing the adoption of rules for insulation quality standards; appropriating money; amending Minnesota Statutes 1982, section 325F.20, subdivision 1.

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



Schreiber, Scheid, Pauly, McKasy and Clawson introduced:

H. F. No. 2080, A bill for an act relating to real property; making the recording of certain documents permissive; amending Minnesota Statutes 1982, section 462.3595, subdivision 4; and Minnesota Statutes 1983 Supplement, section 462.36, subdivision 1.

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

Shea introduced:

H. F. No. 2081, A bill for an act relating to agriculture; changing the authority for licensing and inspecting vending machines; amending Minnesota Statutes 1982, sections 145.031, subdivision 1; 145.55, subdivision 1; 145.918, subdivision 2; 366.01, subdivision 2; and Minnesota Statutes 1983 Supplement, section 28A.09, subdivision 1; repealing Minnesota Statutes 1982, sections 144.075; 375.193; and 461.02.

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

Begich, Battaglia, Elioff, Minne and Solberg introduced:

H. F. No. 2082, A bill for an act relating to the iron range resources and rehabilitation board; allowing school districts to levy taxes to repay loans made by the northeast Minnesota economic protection trust; clarifying that the board may lease personal property; removing certain dates; providing that earnings from the investment of funds in the iron range resources and rehabilitation board account are credited to the account; clarifying the limitation on administrative costs; transferring certain unexpended funds to the northeast Minnesota economic protection trust; amending Minnesota Statutes 1982, sections 298.22, subdivision 5; 298.223; Minnesota Statutes 1983 Supplement, sections 275.125, subdivisions 11a, 11b, and 12a; 298.28, subdivision 1; 298.296, subdivision 2; Laws 1982, Second Special Session chapter 2, sections 12, as amended; and 14, as amended.

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

Voss introduced:

H. F. No. 2083, A bill for an act relating to real estate; providing for the regulation of real estate loan brokers; giving certain powers and duties to the commissioner of commerce; defining terms; providing for rulemaking; amending Minnesota Statutes 1982, section 82.17, subdivisions 4, 7, and 8, and by adding a subdivision; 82.24, subdivision 7; 82.29; and 82.30, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 82.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Riveness; Ogren; Carlson, D.; Sarna and Vanasek introduced:

H. F. No. 2084, A bill for an act relating to economic development; providing for economic development grants to local units of government; appropriating money.

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

Eken, Price, Knickerbocker, Riveness and Hoffman introduced:

H. F. No. 2085, A bill for an act relating to economic development; clarifying provisions relating to the export finance authority; amending Minnesota Statutes 1983 Supplement, sections 17.104, by adding a subdivision; and 17.105, subdivisions 1, 3, 4, and 7.

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

Segal and Sarna introduced:

H. F. No. 2086, A bill for an act relating to consumer protection; requiring nonprofit organizations to meet the same personal solicitation disclosure requirements as other sellers; amending Minnesota Statutes 1982, section 325G.13.

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

Swanson introduced:

H. F. No. 2087, A bill for an act relating to health; requiring disclosure of certain medical data or medical information for the purpose of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; and 254A.-09.

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

Nelson, D., introduced:

H. F. No. 2088, A bill for an act relating to real property; changing the manner of serving notice to register title to real estate; amending Minnesota Statutes 1982, sections 508.16, subdivision 1; 508.39; and 508A.39; Minnesota Statutes 1983 Supplement, section 508.29.

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

Osthoff, Scheid, Levi, Knickerbocker and Greenfield introduced:

H. F. No. 2089, A bill for an act relating to taxation; authorizing certain additional levies in counties; amending Minnesota Statutes 1982, section 275.48.

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

O'Connor and Begich introduced:

H. F. No. 2090, A bill for an act relating to traffic regulations; providing penalties for certain traffic violations; amending Minnesota Statutes 1982, section 169.141, subdivision 2, and by adding a subdivision.

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

St. Onge and Clawson introduced:

H. F. No. 2091, A bill for an act relating to public welfare; authorizing the commissioner of public welfare to establish a special revenue account; expanding the commissioner's duties; appropriating money; amending Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2.

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

Murphy introduced:

H. F. No. 2092, A bill for an act relating to labor; providing for an exemption from wage requirements for certain domestic service employees; amending Minnesota Statutes 1983 Supplement, section 177.23, subdivision 7.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Scheid and Norton introduced:

H. F. No. 2093, A bill for an act relating to tax court judges; permitting retired tax judges to serve on the tax court; amending Minnesota Statutes 1982, section 271.01, by adding a subdivision.

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

Carlson, D., introduced:

H. F. No. 2094, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell lands and interests in land acquired for trail purposes which are no longer needed for trail purposes and which are located in certain cities.

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

Haukoos and Levi introduced:

H. F. No. 2095, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

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

Anderson, G., and Rice introduced:

H. F. No. 2096, A bill for an act relating to state government; establishing the world trade center board and fixing its duties; transferring functions from the department of agriculture; amending Minnesota Statutes 1982, section 17.03, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 44A; repealing Minnesota Statutes 1983 Supplement, section 17.106.

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

Clark, J., introduced:

H. F. No. 2097, A bill for an act relating to persons handicapped in communication; requiring the arresting officer to immediately obtain a qualified interpreter for a person handicapped in communication who has been arrested; amending Minnesota Statutes 1982, section 611.32.

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

Clawson, Swanson and Wynia introduced:

H. F. No. 2098, A bill for an act relating to public welfare; revising procedures for determining operating cost payment rates for nursing homes; amending Minnesota Statutes 1982, section 144.072; Minnesota Statutes 1983 Supplement, sections 144A.31, subdivision 4; 256B.421, subdivision 2; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256B.50; proposing new law coded in Minnesota Statutes, chapter 144.

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

Wynia, Skoglund, Quinn and Long introduced:

H. F. No. 2099, A bill for an act relating to insurance; no-fault auto; providing uninsured and underinsured motorist coverages; defining terms; amending Minnesota Statutes 1982, sections 65B.43, by adding subdivisions; and 65B.49, subdivision 4.

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

O'Connor, Scheid, Kelly and Dempsey introduced:

H. F. No. 2100, A bill for an act relating to taxation; income; adopting federal income tax treatment of certain retirement plans; amending Minnesota Statutes 1982, section 290.01, subdivisions 20a, as amended and 20b, as amended.

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

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Voss introduced:

H. A. No. 53, A proposal to include Vietnam Veterans under The Civil Rights Act (363.03).

The advisory was referred to the Committee on Judiciary.

Wigley introduced:

H. A. No. 54, A proposal to study the use of farm tractors and trailers on trunk highways.

The advisory was referred to the Committee on Transportation.

#### 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 Files, herewith transmitted:

S. F. Nos. 311, 1418, 1454 and 1455.

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. 868, 1235, 1349, 1396, 1453 and 1475.

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. 1476 and 1563.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 311, A bill for an act relating to public welfare; requiring licensure for adult day care facilities; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and by adding a subdivision; 245.783, by adding a subdivision; 245.791; 245.802, by adding a subdivision.

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

S. F. No. 1418, A bill for an act relating to public welfare; authorizing the alcohol and drug abuse section of the department of public welfare to collect certain information; establishing an American Indian advisory council relating to chemical dependency policies; clarifying the evaluation functions of the commissioner of public welfare with respect to chemical dependency policies; amending Minnesota Statutes 1982, sections 254A.03; 254A.05, subdivision 1; 254A.07; 254A.16, subdivisions 1 and 2; and proposing new law coded in Minnesota Statutes, chapter 254A.

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

S. F. No. 1454, A bill for an act relating to public welfare; authorizing the commissioner to enter into interstate adoption compacts; establishing procedures for interstate assistance payments; amending Minnesota Statutes 1983 Supplement, section 256B.06, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 259.

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

S. F. No. 1455, A bill for an act relating to health; exempting schools from license fee requirements of the department of health; exempting certain places of lodging from licensing requirements of the department; amending Minnesota Statutes 1982, sections 157.03 and 157.14.

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

S. F. No. 868, A bill for an act relating to natural resources; designating the morel as the official state mushroom; proposing new law coded in Minnesota Statutes, chapter 1.

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

S. F. No. 1235, A bill for an act relating to labor; providing for an exemption from wage requirements for certain domestic service employees; amending Minnesota Statutes 1983 Supplement, section 177.23, subdivision 7.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

S. F. No. 1349, A bill for an act relating to liquor; abolishing prohibition on furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice; amending Minnesota Statutes 1982, section 340.601; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81.

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



S. F. No. 1396, A bill for an act relating to local government; requiring the county board of adjustment to take the town board's recommendation into consideration when making certain decisions; amending Minnesota Statutes 1982, section 394.27, subdivision 5.

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

S. F. No. 1453, A bill for an act relating to public welfare; making county of residence financially responsible for detoxification services provided to chemical dependency facility clients; amending Minnesota Statutes 1983 Supplement, section 256E.08, subdivision 7.

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

S. F. No. 1475, A bill for an act relating to communications; permitting a municipality to be represented by its designee on a joint cable communication commission; amending Minnesota Statutes 1982, section 238.08, subdivision 5.

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

S. F. No. 1476, A bill for an act relating to elections; making the requirements for school election absentee ballots the same as those for the general election; amending Minnesota Statutes 1982, section 123.32, subdivision 24.

The bill was read for the first time.

Carlson, L., moved that S. F. No. 1476 and H. F. No. 1462, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1563, A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

### CONSENT CALENDAR

H. F. No. 1381, A bill for an act relating to the city of Caledonia; providing for the appointment of members to the library board; authorizing terms of service.

The bill was read for the third 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 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Kvam	Piepho	Stadum
Anderson, G.	Fjoslien	Larsen	Piper	Staten
Anderson, R.	Forsythe	Levi	Price	Sviggum
Battaglia	Frerichs	Long	Quinn	Thiede
Beard	Graba	Ludeman	Quist	Tomlinson
Begich	Gruenes	Mann	Redalen	Tunheim
Bennett	Gustafson	Marsh	Reif	Upphus
Bergstrom	Gutknecht	McDonald	Riveness	Valan
Bishop	Halberg	McEachern	Rodovich	Valento
Blatz	Haukoos	McKasv	Rodriguez, F.	Vanasek
Boo	Himle	Metzen	Rose	Vellenga
Brinkman	Hoberg	Minne	St. Onge	Voss
Burger	Hoffman	Munger	Sarna	Waltman
Carlson, D.	Hokr	Murphy	Schafer	Welch
Carlson, L.	Jacobs	Nelson, D.	Scheid	Welker
Clark, K.	Jennings	Nelson, K.	Schoenfeld	Welle
Clawson	Jensen	Neuenschwander	Schreiber	Wenzel
Coleman	Johnson	O'Connor	Seaberg	Wigley
Dempsey	Kahn	Ogren	Segal	Wynia
DenOuden	Kalis	Olsen	Shaver	Zaffke
Dimler	Knickerbocker	Omann	Shea	Speaker Sieben
Eken	Knuth	Onnen	Simoneau	
Elioff	Kostohryz	Otis	Skoglund	
Evans	Krueger	Peterson	Solberg	

Those who voted in the negative were:

Swanson

The bill was passed and its title agreed to.

H. F. No. 1486, A bill for an act relating to courts; providing for the appeal of various matters to the court of appeals; amending Minnesota Statutes 1983 Supplement, sections 299D.-03, subdivision 11; 412.861, subdivision 3; 625.09; 625.11; 625.-14; and 629.62.

The bill was read for the third 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:

Anderson, B.	Findlay	Krueger	Pauly	Solberg
Anderson, G.	Fjoslien	Kvam	Peterson	Sparby
Anderson, R.	Forsythe	Larsen	Piepho	Stadum
Battaglia	Frerichs	Levi	Piper	Staten
Beard	Graba	Long	Price	Sviggum
Begich	Greenfield	Ludeman	Quinn	Swanson
Bennett	Gruenes	Mann	Quist	Thiede
Bergstrom	Gustafson	Marsh	Redalen	Tomlinson
Bishop	Gutknecht	McDonald	Reif	Tunheim
Blatz	Halberg	McEachern	Riveness	Uphus
Boo	Haukoos	McKasy	Rodosovich	Valan
Brinkman	Heinitz	Metzen	Rodriguez, F.	Valento
Burger	Himle	Minne	Rose	Vanasek
Carlson, D.	Hoberg	Munger	St. Onge	Vellenga
Carlson, L.	Hoffman	Murphy	Sarna	Voss
Clark, J.	Hokr	Nelson, D.	Schafer	Waltman
Clark, K.	Jacobs	Nelson, K.	Scheid	Welch
Clawson	Jennings	Neuenschwander	Schoenfeld	Welker
Dempsey	Jensen	O'Connor	Schreiber	Welle
DenOuden	Johnson	Ogren	Seaberg	Wenzel
Dimler	Kalis	Olsen	Segal	Wigley
Eken	Kelly	Omann	Shaver	Wynia
Elioff	Knickerbocker	Onnen	Shea	Zaffke
Ellingson	Knuth	Osthoff	Simonéau	Speaker Sieben
Evans	Kostohryz	Otis	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1760, A bill for an act relating to natural resources; authorizing a private sale of certain state fisheries land.

The bill was read for the third 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:

Anderson, B.	Eken	Jennings	Munger	Rice
Anderson, C.	Elioff	Jensen	Murphy	Riveness
Anderson, R.	Ellingson	Johnson	Nelson, D.	Rodosovich
Battaglia	Evans	Kalis	Nelson, K.	Rodriguez, F.
Beard	Findlay	Kelly	Neuenschwander	Rose
Begich	Fjoslien	Knickerbocker	O'Connor	St. Onge
Bennett	Forsythe	Knuth	Ogren	Sarna
Bergstrom	Frerichs	Kostohryz	Olsen	Schafer
Bishop	Graba	Krueger	Omann	Scheid
Blatz	Greenfield	Kvam	Onnen	Schoenfeld
Boo	Gruenes	Larsen	Osthoff	Schreiber
Brinkman	Gustafson	Levi	Otis	Seaberg
Burger	Gutknecht	Long	Pauly	Segal
Carlson, D.	Halberg	Ludeman	Peterson	Shaver
Carlson, L.	Haukoos	Mann	Piepho	Shea
Clark, J.	Heinitz	Marsh	Piper	Simoneau
Clark, K.	Himle	McDonald	Price	Skoglund
Clawson	Hoberg	McEachern	Quinn	Solberg
Coleman	Hoffman	McKasy	Quist	Sparby
Dempsey	Hokr	Metzen	Redalen	Stadum
Dimler	Jacobs	Minne	Reif	Staten

Swiggun	Tunheim	Vanasek	Welch	Wigley
Swanson	Uphus	Vellenga	Welker	Wynia
Thiede	Valan	Voss	Welle	Zaffke
Tomlinson	Valento	Waltman	Wenzel	Speaker Sieben

The bill was passed and its title agreed to.

### CALENDAR

Bishop was excused between the hours of 2:05 p.m. and 2:15 p.m.

H. F. No. 404, A bill for an act relating to taxation; increasing the deduction from gross income for amounts paid for dependent tuition, textbooks, and transportation expenses; amending Minnesota Statutes 1983 Supplement, section 290.089, 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 84 yeas and 34 nays as follows:

Those who voted in the affirmative were:

Beard	Graba	Levi	Piper	Stadum
Begich	Greenfield	Mann	Quist	Staten
Bennett	Gruenes	Marsh	Reif	Swanson
Blatz	Gutknecht	McDonald	Rice	Tomlinson
Boo	Halberg	McEachern	Rodosovich	Tunheim
Brandl	Heinitz	McKasy	Rodriguez, F.	Uphus
Brinkman	Himle	Metzen	Rose	Valan
Cohen	Jennings	Munger	St. Onge	Valento
Coleman	Jensen	Nelson, K.	Sarna	Vanasek
Dempsey	Johnson	Neuenschwander	Schafer	Vellenga
DenOuden	Kalis	O'Connor	Schoenfeld	Voss
Dimler	Kelly	Ogren	Schreiber	Waltman
Evans	Knickerbocker	Omann	Seaberg	Welker
Findlay	Kostohryz	Onnen	Shaver	Wenzel
Fjoslien	Krueger	Osthoff	Simoneau	Wynia
Forsythe	Kvam	Pauly	Solberg	Speaker Sieben
Frerichs	Larsen	Piepho	Sparby	

Those who voted in the negative were:

Anderson, B.	Carlson, L.	Haukoos	Minne	Scheid
Anderson, G.	Clark, J.	Hoffman	Nelson, D.	Shea
Anderson, R.	Clark, K.	Jacobs	Otis	Skoglund
Battaglia	Clawson	Kahn	Peterson	Swiggun
Bergstrom	Eken	Knuth	Price	Welle
Burger	Ellingson	Long	Redalen	Zaffke
Carlson, D.	Gustafson	Ludeman	Riveness	

The bill was passed and its title agreed to.

S. F. No. 214 was reported to the House.

There being no objection S. F. No. 214 was continued one day.

Otis was excused at 3:15 p.m. Hoberg was excused at 3:35 p.m.

### GENERAL ORDERS

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

#### REPORT OF THE COMMITTEE OF THE WHOLE

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

H. F. Nos. 1279, 1408, 1377, 1481, 1516, 1654, 1257, 1428 and 1611 which it recommended to pass.

H. F. Nos. 950, 735, 1347, 1503 and 1504 which it recommended progress.

H. F. No. 432 which it recommended progress retaining its place on General Orders.

H. F. No. 1587 which it recommended to pass with the following amendments:

Offered by Sviggum:

Page 3, after line 18, insert:

“Sec. 4. [FUNDING.]

*No state funds, other than those appropriated in 1983, shall be used to fund compensation increases ratified in section 1.”*

Page 3, line 19, delete “4” and insert “5”

Page 3, line 20, delete “3” and insert “4”

Offered by Sviggum:

Page 2, line 15, after “*ratified*” delete the period and insert “*except that, effective May 1, 1984, the following salaries shall be substituted for those approved by the commission:*”

66th Day]	WEDNESDAY, MARCH 21, 1984	6613
<i>Commissioner of Finance</i>		\$57,500
<i>Commissioner of Education</i>		57,500
<i>Commissioner of Transportation</i>		63,750
<i>Commissioner of Public Welfare</i>		57,500
<i>Chancellor of Community College</i>		63,250
<i>Chancellor of State University</i>		66,000
<i>Director Votech Ed Board</i>		57,500
<i>State Board of Investment</i>		65,000
<i>Commissioner of Administration</i>		50,000
<i>Commissioner of Agriculture</i>		50,000
<i>Commissioner of Commerce</i>		50,000
<i>Commissioner of Corrections</i>		55,000
<i>Commissioner of Economic Security</i>		55,000
<i>Commissioner of Employee Relations</i>		50,000
<i>Commissioner of Energy &amp; Economic Development</i>		50,000
<i>Commissioner of Health</i>		50,950
<i>Commissioner of Labor &amp; Industry</i>		50,000
<i>Commissioner of Natural Resources</i>		55,000
<i>Commissioner of Revenue</i>		55,000
<i>Commissioner of Public Safety</i>		55,000
<i>Chief Hearing Examiner</i>		55,000
<i>Director Pollution Control Agency</i>		50,000
<i>Higher Education Coordinating Board</i>		50,000
<i>Director of State Planning</i>		50,000
<i>Housing Finance Agency</i>		50,000

<i>Teachers Retirement Association</i>	55,000
<i>Minnesota State Retirement Association</i>	55,000
<i>Commissioner of Human Rights</i>	40,000
<i>Director of Public Service</i>	40,000
<i>Commissioner of Veteran's Affairs</i>	40,000
<i>Executive Director Minnesota Educational Computing Consortium</i>	46,700
<i>Executive Director Environmental Quality Board</i>	41,750
<i>Director of Mediation Services</i>	40,000
<i>Public Utilities Commissioner</i>	40,000
<i>Transportation Regulation Board</i>	40,000
<i>Chairman, Waste Management Board</i>	46,800
<i>Director of Minnesota Zoo</i>	40,000

*Notwithstanding section 43A.17, subdivision 1, the plans and agreements ratified in this act are modified so that the salary of the agency head established in this subdivision is the upper limit of compensation in the agency. However, the salary of the commissioner of labor and industry remains the upper limit for employees in the bureau of mediation services."*

H. F. No. 1382 which it recommended to pass with the following amendment offered by Bishop:

Page 2, line 33, delete "*June 1, 1985*" insert "*January 1, 1986*"

H. F. No. 1784 which it recommended to pass with the following amendment offered by Welker:

Page 2, line 33, restore the stricken "(AND)"

Page 2, delete the new language in lines 34, 35 and 36

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

## ROLL CALLS IN COMMITTEE OF THE WHOLE

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

Sviggum moved to amend H. F. No. 1587, the first engrossment, as amended, as follows:

Page 3, after line 18, insert:

"Sec. 5. [REPORT.]

*If the amounts appropriated for salary supplements in 1983 are insufficient to pay the compensation increases ratified in section 1, the head of each state agency shall report to the legislature, by March 1, 1985, on what steps are being taken in the agency to make up the funding deficiency. These reports shall include data on vacancies which were not filled, program reductions, layoffs, and any other steps taken."*

Page 3, line 19, delete "5" and insert "6"

Page 3, line 20, delete "4" and insert "5"

The question was taken on the Sviggum amendment and the roll was called. There were 55 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Bennett	Evans	Jennings	Pauly	Sviggum
Bishop	Findlay	Johnson	Piepho	Thiede
Blatz	Forsythe	Kvam	Quist	Tunheim
Boo	Frerichs	Levi	Redalen	Uphus
Brinkman	Gutknecht	Ludeman	Reif	Valan
Burger	Halberg	Marsh	Rose	Valento
Cohen	Haukoos	McDonald	Schafer	Waltman
Dempsey	Heap	McKasy	Schreiber	Welker
DenOuden	Heinitz	Olsen	Seaberg	Wenzel
Dimler	Hoberg	Omann	Shaver	Wigley
Erickson	Hokr	Ounnen	Stadum	Zaffke

Those who voted in the negative were:

Anderson, B.	Ellingson	Larsen	Otis	Shea
Anderson, G.	Elioff	Long	Peterson	Simoneau
Anderson, R.	Fjoslien	Mann	Piper	Skoglund
Battaglia	Greenfield	Minne	Price	Staten
Beard	Gustafson	Munger	Quinn	Swanson
Begich	Hoffman	Murphy	Rice	Tomlinson
Brandl	Jacobs	Nelson, D.	Riveness	Vanasek
Carlson, D.	Jensen	Nelson, K.	Rodosovich	Voss
Carlson, L.	Kahn	Norton	Rodriguez, F.	Welch
Clark, J.	Kelly	O'Connor	St. Onge	Welle
Clark, K.	Knuth	Ogren	Scheid	Wynia
Coleman	Kostohryz	Osthoff	Schoenfeld	Speaker Sieben

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



Sviggum moved to amend H. F. No. 1587, the first engrossment, as amended, as follows:

Page 2, line 15, after "ratified" delete the period and insert "except that, effective May 1, 1984, the following salaries shall be substituted for those approved by the commission:

<i>Commissioner of Finance</i>	\$57,500
<i>Commissioner of Education</i>	57,500
<i>Commissioner of Transportation</i>	63,750
<i>Commissioner of Public Welfare</i>	57,500
<i>Chancellor of Community College</i>	63,250
<i>Chancellor of State University</i>	66,000
<i>Director Votech Ed Board</i>	57,500
<i>State Board of Investment</i>	65,000
<i>Commissioner of Administration</i>	50,000
<i>Commissioner of Agriculture</i>	50,000
<i>Commissioner of Commerce</i>	50,000
<i>Commissioner of Corrections</i>	55,000
<i>Commissioner of Economic Security</i>	55,000
<i>Commissioner of Employee Relations</i>	50,000
<i>Commissioner of Energy &amp; Economic Development</i>	50,000
<i>Commissioner of Health</i>	50,950
<i>Commissioner of Labor &amp; Industry</i>	50,000
<i>Commissioner of Natural Resources</i>	55,000
<i>Commissioner of Revenue</i>	55,000
<i>Commissioner of Public Safety</i>	55,000
<i>Chief Hearing Examiner</i>	55,000

<i>Director Pollution Control Agency</i>	50,000
<i>Higher Education Coordinating Board</i>	50,000
<i>Director of State Planning</i>	50,000
<i>Housing Finance Agency</i>	50,000
<i>Teachers Retirement Association</i>	55,000
<i>Minnesota State Retirement Association</i>	55,000
<i>Commissioner of Human Rights</i>	40,000
<i>Director of Public Service</i>	40,000
<i>Commissioner of Veteran's Affairs</i>	40,000
<i>Executive Director Minnesota Educational Computing Consortium</i>	46,700
<i>Executive Director Environmental Quality Board</i>	41,750
<i>Director of Mediation Services</i>	40,000
<i>Public Utilities Commissioner</i>	40,000
<i>Transportation Regulation Board</i>	40,000
<i>Chairman, Waste Management Board</i>	46,800
<i>Director of Minnesota Zoo</i>	40,000

*Notwithstanding section 43A.17, subdivision 1, the plans and agreements ratified in this act are modified so that the salary of the agency head established in this subdivision is the upper limit of compensation in the agency. However, the salary of the commissioner of labor and industry remains the upper limit for employees in the bureau of mediation services."*

The question was taken on the Sviggum amendment and the roll was called. There were 70 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Boo	Dimler	Forsythe	Heap
Battaglia	Burger	Elioff	Frerichs	Heintz
Begich	Carlson, D.	Erickson	Gruenes	Himle
Bennett	Cohen	Evans	Gutknecht	Hoffman
Bishop	Dempsey	Findlay	Halberg	Hokr
Blatz	DenOuden	Fjoslien	Haukoos	Jennings

Johnson	McDonald	Piepho	Schreiber	Valan
Kalis	McKasy	Quist	Seaberg	Valento
Knickerbocker	Minne	Redalen	Shaver	Waltman
Krueger	Neuenschwander	Keif	Solberg	Welker
Kvam	Olsen	Riveness	Stadum	Welle
Levi	Omman	Rose	Sviggum	Wenzel
Ludeman	Onnen	Schafer	Thiede	Wigley
Marsh	Pauly	Schoenfeld	Uphus	Zaffke

Those who voted in the negative were:

Anderson, B.	Graba	McEachern	Quinn	Staten
Anderson, G.	Greenfield	Metzen	Rice	Swanson
Beard	Gustafson	Munger	Rodosovich	Tomlinson
Bergstrom	Jacobs	Murphy	Rodriguez, F.	Tunheim
Brandl	Jensen	Nelson, K.	St. Onge	Vanasek
Brinkman	Kahn	Norton	Sarna	Vellienga
Carlson, L.	Kelly	O'Connor	Scheid	Voss
Clark, J.	Knuth	Ogren	Segal	Welch
Clawson	Kostohryz	Osthoff	Shea	Wynia
Coleman	Larsen	Peterson	Simoneau	Speaker Sieben
Eken	Long	Piper	Skoglund	
Ellingson	Mann	Price	Sparby	

The motion prevailed and the amendment was adopted.

## MOTIONS AND RESOLUTIONS

Wenzel, Sieben, Mann, Kalis and Erickson introduced:

House Resolution No. 19, A house resolution proclaiming March 21, 1984, to be "Agriculture Day" in Minnesota.

## SUSPENSION OF RULES

Wenzel moved that the rules be so far suspended that House Resolution No. 19 be now considered and be placed upon its adoption. The motion prevailed.

## HOUSE RESOLUTION NO. 19

A house resolution proclaiming March 21, 1984, to be "Agriculture Day" in Minnesota.

*Whereas*, Minnesota is among the nation's leading states in agricultural production and cash receipts from agricultural products and livestock; and

*Whereas*, agriculture and its related industries provide approximately one-third of the state's employment opportunities and 40 percent of the gross state product; and

*Whereas*, the value of Minnesota farm production last year exceeded 7.5 billion dollars, with more than double that amount generated due to related marketing, processing, packaging, and distribution; and

*Whereas*, Minnesota ranks among the nation's top five states in agricultural cash receipts, crop marketing, and the production of oats, sweet corn, wild rice, turkeys, wheat, sugar beets, dairy products, and livestock; and

*Whereas*, the future of Minnesota's farms and agricultural industries remains the key to the future of the state economy as a whole; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota that March 21 is proclaimed to be Agriculture Day in Minnesota. The House of Representatives recognizes the critical nature of the agricultural economy and the challenging and complex problems being faced by our state farmers and agribusinesses and reaffirms its commitment to maintaining and improving the vitality of agriculture in our state.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to enroll a copy of this resolution, to be authenticated by his signature and that of the Speaker and that it be presented to representatives of the appropriate agricultural organizations and industries.

Wenzel moved that House Resolution No. 19 be now adopted. The motion prevailed and House Resolution No. 19 was adopted.

Forsythe and Pauly introduced:

House Resolution No. 20, A house resolution congratulating the Hornets Hockey team from Edina High School for winning the 1984 State High School Hockey Championship.

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

Forsythe and Pauly introduced:

House Resolution No. 21, A house resolution congratulating the swimming and diving team from Edina High School for winning the 1984 Boys State High School Swimming and Diving Championship.

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

Wenzel introduced:

House Resolution No. 22, A house resolution congratulating Cy Carpenter on his election as President of the National Farmers Union.

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

Gustafson moved that H. F. No. 29 be recalled from the Committee on Rules and Legislative Administration and be re-referred to the Committee on General Legislation and Veterans Affairs. The motion prevailed.

O'Connor moved that H. F. No. 1888 be recalled from the Committee on Judiciary and be re-referred to the Committee on Transportation. The motion prevailed.

Rice moved that H. F. No. 1903 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Local and Urban Affairs. The motion prevailed.

Swiggum moved that the names of Osthoff, Minne and Welle be added as authors on H. F. No. 427. The motion prevailed.

Osthoff moved that the name of Knuth be added as an author on H. F. No. 700. The motion prevailed.

Jennings moved that the name of Jennings be shown as second author and the name of Clawson be shown as chief author on H. F. No. 1180. The motion prevailed.

Jennings moved that the name of Findlay be added as an author on H. F. No. 1255. The motion prevailed.

Skoglund moved that the name of Berkelman be stricken and the name of Skoglund be shown as chief author on H. F. No. 1352. The motion prevailed.

Krueger moved that the names of Wenzel, Uphus and Redalen be added as authors on H. F. No. 1425. The motion prevailed.

Sparby moved that the name of Valan be added as an author on H. F. No. 1449. The motion prevailed.

Seaberg moved that the name of Riveness be added as an author on H. F. No. 1609. The motion prevailed.

Gutknecht moved that the name of Shea be added as an author on H. F. No. 1802. The motion prevailed.

Simoneau moved that the name of Hoffman be added as an author on H. F. No. 1833. The motion prevailed.

Rose moved that the names of Clawson and Schreiber be added as authors on H. F. No. 1840. The motion prevailed.

Olsen moved that the name of Rodriguez, F., be added as an author on H. F. No. 1869. The motion prevailed.

Kostohryz moved that the names of Osthoff, Rose, Levi and Valento be added as authors on H. F. No. 1954. The motion prevailed.

Rodriguez, C., moved that the name of DenOuden be added as an author on H. F. No. 1962. The motion prevailed.

Dimler moved that the names of Brinkman and McKasy be added as authors on H. F. No. 2007. The motion prevailed.

Kelly moved that the name of Segal be added as an author on H. F. No. 2009. The motion prevailed.

Olsen moved that the name of Dimler be added as an author on H. F. No. 2027. The motion prevailed.

Minne moved that the name of Elioff be shown as chief author and the name of Minne be shown as second author on H. F. No. 2036. The motion prevailed.

Staten moved that the name of Segal be added as an author on H. F. No. 2037. The motion prevailed.

Ogren moved that the name of Vellenga be added as an author on H. F. No. 2042. The motion prevailed.

Sparby moved that the name of Segal be added as an author on H. F. No. 2044. The motion prevailed.

Greenfield moved that the name of Elioff be added as an author on H. F. No. 2048. The motion prevailed.

Coleman moved that the name of Staten be added as an author on H. F. No. 2061. The motion prevailed.

Greenfield moved that the name of Vellenga be added as an author on H. F. No. 2068. The motion prevailed.

Rodriguez, F., moved that the name of Wigley be added as an author on H. F. No. 2072. The motion prevailed.

Segal moved that the name of Staten be added as an author on H. F. No. 2079. The motion prevailed.

O'Connor moved that the name of Ogren be added as an author on H. F. No. 2090. The motion prevailed.

Coleman moved that the name of Hoffman be added as an author on H. F. No. 2010. The motion prevailed.

Jennings moved that H. F. No. 1986 be returned to its author. The motion prevailed.

Graba moved that H. F. No. 1593 be returned to its author. The motion prevailed.

#### PENDING POINT OF ORDER

The pending point of order relating to H. F. No. 1593 and raised by Jennings on Thursday, March 15, 1984, pursuant to section 491, paragraph 3 of "Mason's Manual of Legislative Procedure" and printed in the Journal of the House on page 6522 for the 64th Legislative Day was reported to the House. The Speaker ruled the Jennings point of order well taken and the Eken motion to lay the Jennings motion on the table out of order.

The Speaker ruled the Jennings motion was not now in order because H. F. No. 1593 was returned to its author by motion earlier today.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, March 26, 1984. 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 26, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SIXTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 26, 1984

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 Philip Formo, St. Olaf Lutheran Church, Austin, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Erickson	Kostohryz	Peterson	Solberg
Anderson, G.	Evans	Krueger	Piepho	Sparby
Anderson, R.	Findlay	Kvam	Piper	Stadum
Battaglia	Fjoslien	Larsen	Price	Staten
Beard	Forsythe	Levi	Quinn	Swiggum
Begich	Frerichs	Long	Quist	Swanson
Bennett	Graba	Ludeman	Redalen	Thiede
Bergstrom	Greenfield	Mann	Reif	Tomlinson
Bishop	Cruenes	Marsh	Rice	Tunheim
Blatz	Gustafson	McEachern	Riverness	Uphus
Boo	Gutknecht	McKasy	Rodosovich	Valan
Brandl	Haukoos	Metzen	Rodriguez, C.	Valento
Burger	Heap	Minne	Rodriguez, F.	Vanasek
Carlson, D.	Himle	Munger	Rose	Vellenga
Carlson, L.	Hoberg	Murphy	Sarna	Voss
Clark, J.	Hoffman	Nelson, D.	Schafer	Waltman
Clark, K.	Hokr	Nelson, K.	Scheid	Welch
Clawson	Jacobs	Neuenschwander	Schoenfeld	Welker
Cohen	Jennings	O'Connor	Schreiber	Welle
Coleman	Jensen	Ogren	Seaberg	Wenzel
Dempsey	Johnson	Olsen	Segal	Wigley
DenOuden	Kahn	Omam	Shaver	Wynia
Dimler	Kalis	Onnen	Shea	Zaffke
Eken	Kelly	Osthoff	Sherman	Speaker Sieben
Elioff	Knickerbocker	Otis	Simoneau	
Ellingson	Knuth	Pauly	Skoglund	

A quorum was present.

Brinkman, Halberg and Heinitz were excused.

Norton was excused until 2:20 p.m. St. Onge was excused until 4:30 p.m.



The Chief Clerk proceeded to read the Journal of the preceding day. Osthoff 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. 560, 1459, 1462, 1496, 1522, 1699, 1856, 1655, 1761, 1659, 1621, 1786, 1405, 1460, 1557, 1562, 1801, 1528, 1382, 1587 and 1784 and S. F. Nos. 311, 1418, 1454, 1455, 868, 1235, 1349, 1396, 1453, 1475, 1476 and 1563 have been placed in the members' files.

S. F. No. 1476 and H. F. No. 1462, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Carlson, L., moved that S. F. No. 1476 be substituted for H. F. No. 1462 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 347, A bill for an act relating to labor; regulating the minimum wage; eliminating the tip credit; amending Minnesota Statutes 1982, section 177.24, subdivision 2; repealing Minnesota Statutes 1982, section 177.28, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 177.28, subdivision 4, is amended to read:

Subd. 4. An employee who receives \$35 or more per month in gratuities is a tipped employee. An employer is entitled to a credit in an amount up to 20 percent of the minimum wage which a tipped employee receives. The credit against the wages due may not be taken unless at the time the credit is taken the employer has received a signed statement for that pay period from the tipped employee stating that he did receive and retain during that pay period all gratuities received by him in an amount equal to or greater than the credit applied against the wages due by his employer. The statements shall be maintained by the employer as a part of his business records. *The maximum*

*credit authorized by this subdivision is reduced to 15 percent of the minimum wage effective January 1, 1985, to ten percent effective January 1, 1986, and to five percent effective January 1, 1987. No credit shall be allowed after January 1, 1988."*

Delete the title and insert:

"A bill for an act relating to labor; minimum wages; phasing out the tip credit; amending Minnesota Statutes 1982, section 177.28, subdivision 4."

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. 471, A bill for an act relating to public welfare; providing for the establishment of a state foster care advisory council and local review boards under the jurisdiction of juvenile judges; prescribing conditions of membership and duties of board members; requiring agency cooperation; providing for the adoption of supreme court rules; setting limitations; appropriating money; proposing new law coded in Minnesota Statutes, chapter 260.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 257.071, subdivision 2, is amended to read:

Subd. 2. [SIX MONTH REVIEW OF PLACEMENTS.] There shall be (AN ADMINISTRATIVE) a review by a local foster care review board, pursuant to section 4, of the case plan of each child placed in a residential facility. The review shall take place no later than 180 days after the initial placement of the child in a residential facility and at least every six months thereafter if the child is not returned to the home of his parent or parents within that time. As an alternative to (THE ADMINISTRATIVE) this review, the social service agency responsible for the placement may bring a petition as provided in section 260.131, subdivision 1a, to the court for review of the foster care to determine if placement is in the best interests of the child. This petition must be brought to the court within the applicable six months and is not in lieu of the requirements contained in subdivision 3 or 4. In addition to the review required by this subdivision, the local social service agency may conduct administrative reviews of placements as necessary.

Sec. 2. [260.60] [STATE FOSTER CARE ADVISORY BOARD.]

*Subdivision 1. [CREATION.] There is established a state foster care advisory board consisting of nine members, one from each congressional district and a chairperson. All shall be appointed by the governor and shall serve as members of local review boards. The chairperson of the board shall be appointed by the governor from among the membership. Of the members initially appointed, three shall be appointed for a term of three years; three shall be appointed for a term of two years; and three shall be appointed for a term of one year. Thereafter, all subsequent members shall be appointed for a term of three years. State board members shall serve on local boards for a period coterminous with their state board term of office.*

*Subd. 2. [MEETINGS.] The state board shall meet no less than twice annually and more frequently upon the call of the chairperson or as the members shall determine.*

*Subd. 3. [DUTIES.] The state board shall appoint the members of the local review boards and shall review and coordinate the activities of the local boards. The board shall annually report to the appropriate committees of the state legislature on the status and impact of the local review boards. The board shall make recommendations to the supreme court, the governor, and the legislature on or before September 15 of each year regarding foster care statutes and policies and procedures and shall establish training programs for local board members, case workers, and officers of the court. The board shall, within the limits of the appropriation available, hire staff as necessary to carry out the duties required by this subdivision.*

Sec. 3. [260.61] [LOCAL FOSTER CARE REVIEW BOARDS.]

*Subdivision 1. [CREATION.] Local foster care review boards shall be established to operate under the jurisdiction of the presiding judge of each juvenile court. Board members shall be appointed by the members of the state foster care advisory board in consultation with the presiding judge of the juvenile court in the judicial district.*

*Subd. 2. [MEMBERSHIP.] There shall be one local review board for every 75 children who have been in foster care for six months or more. Each board shall consist of five members who are residents of the judicial district and have shown an interest in the welfare of children. Each board shall, to the extent feasible, represent the various socio-economic, racial, and ethnic groups of the district in which it serves. At least one member shall be a foster parent and one member shall be a professional knowledgeable in child development. No more than one member of each local board may be an employee of any of the following: the de-*

partment of public welfare, a child welfare agency, or the juvenile court. Board members shall be required to attend in-service training sessions sponsored by the state foster care advisory board.

*Subd 3. [MEMBERSHIP TERMS; VACANCIES; EXPENSES.]* Of the members of a local board initially appointed, two shall be appointed for a term of one year, two shall be appointed for a term of two years, and one shall be appointed for a term of three years. All subsequent local board members shall be appointed for a term of three years. If a vacancy occurs on a local board, the state board shall appoint another person to serve the unexpired portion of the term. Appointments to fill vacancies on the local board shall be made in the same manner and subject to the same conditions as the initial appointments to the board. Members shall continue to serve until a successor is appointed.

Members of the board shall not receive compensation but shall receive reimbursement for expenses in the same manner and amount as authorized by the commissioner's plan adopted pursuant to section 43A.18, subdivision 2.

#### Sec. 4. [260.62] [DUTIES OF REVIEW BOARDS.]

*Subdivision 1. [REVIEW.]* For the purpose of determining what efforts have been made by the supervising agency or child care institution to carry out the plan for permanent placement of each child required by section 257.071, local review boards shall, every six months, review the cases of children who are under the jurisdiction of either (a) the commissioner of corrections or (b) the designated county social service agency or (c) the commissioner of public welfare pursuant to section 260.242 or (d) a child placing agency, a facility licensed pursuant to sections 245.781 to 245.812, a county home school, or a group foster home licensed under section 241.021, and who have resided in public or private foster care for a period of more than six months.

All children who have been placed in a residential facility, as defined in section 257.071, either by court order or by voluntary release by a parent, shall be reviewed every six months. Review shall cease when any of the following occurs: (1) the child is returned home; (2) an adoption decree issues; or (3) the court jurisdiction ends.

*Subd. 2. [RETURN OF CHILDREN TO PARENTS; ADOPTION.]* Local review boards shall encourage and facilitate the timely return of all foster children to their birth parents or, where appropriate, shall encourage the appropriate agency to initiate procedures to make the child eligible for adoption followed by a maximum effort by the agency to place the child for adoption.

**Subd. 3. [RECOMMENDATIONS TO JUVENILE COURT.]** *Local review boards shall submit to the juvenile court, within 30 days following review of any placement, findings and recommendations regarding the efforts and progress made by the designated county social service agency to carry out the plan established pursuant to section 257.071, together with any other recommendations it chooses to make regarding the child. The findings and recommendations shall include the date of the next review. A copy of the findings and recommendations shall be sent to the designated county social service agency, if the juvenile court has awarded custody of the child to the agency, and to other interested parties as required by the court. Where deficiencies in the progress of the permanency plan have been noted by the local review board, the court shall order the designated county social service agency to remedy the deficiencies.*

**Subd. 4. [UNNECESSARY CHANGES IN PLACEMENT.]** *Local review boards shall promote and encourage the department of public welfare and all agencies involved in placing children in foster care to maximize stability and family continuity for children in foster care by discouraging unnecessary changes in the placement of foster children.*

**Subd. 5. [APPROPRIATENESS OF PLACEMENT.]** *Local review boards shall review foster care placements and the family recruitment policies of agencies involved in placing children for adoption to ensure that the best interests of minority children are met by having due consideration given to their race or ethnic heritage.*

**Subd. 6. [INFORMATION ON RIGHTS.]** *Local review boards shall assist the department and agencies in informing birth parents, foster parents, and other interested parties of their rights and responsibilities with respect to any child in foster care. Birth parents, foster parents, and other interested parties shall be involved in the review process.*

**Subd. 7. [DEFICIENCY REPORTS.]** *Local review boards shall report to the department of public welfare, county welfare departments, and other adoptive or foster care agencies deficiencies in the agencies' efforts to secure permanent homes for children whose cases have been reviewed by the board.*

**Sec. 5. [260.63] [AGENCY COOPERATION; DATA PRIVACY REQUIREMENTS.]**

*All public and private agencies and institutions which provide or arrange foster care services for children shall cooperate with the state board and local review boards by furnishing information required for effective implementation of sections 1 to 7. Information in the possession of a public agency or institution shall be provided pursuant to section 13.05, subdivision 9, and shall*

*retain the same classification in the possession of the state board or local review board as it had in the possession of the public agency or institution. Information which is supplied by a private agency or institution and which identifies any individual shall not be disclosed or disseminated by the state board or local review board for any purpose except as required to implement sections 1 to 7.*

Sec. 6. [260.64] [SUPREME COURT RULES.]

*The supreme court shall adopt rules as necessary for proper implementation of sections 1 to 7.*

Sec. 7. [260.65] [LIMITATIONS.]

*Sections 1 to 7 shall not be construed to limit or delay actions by agencies or institutions to arrange for adoptions, foster care, termination of parental rights, or other related matters on their own initiative nor do sections 1 to 7 alter or restrict the duties and authority of those agencies and institutions in those matters.*

Sec. 8. [APPROPRIATION.]

*There is appropriated from the general fund to the state foster care advisory council for the year ending June 30, 1985, the sum of \$ . . . . . for the purposes of sections 1 to 4."*

Delete the title and insert:

"A bill for an act relating to public welfare; providing for the establishment of a state foster care advisory board and local review boards under the jurisdiction of juvenile judges; prescribing conditions of membership and duties of board members; requiring agency cooperation; providing for the adoption of supreme court rules; setting limitations; appropriating money; amending Minnesota Statutes 1983 Supplement, section 257.071, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 260."

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

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 975, A bill for an act relating to agriculture; providing income tax incentives to landowners who sell or lease agricultural land to eligible beginning farmers; amending Minnesota

Statutes 1982, section 290.01, subdivisions 20a, as amended, and 20b, as amended; proposing new law coded in Minnesota Statutes, chapter 290.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [STATEMENT OF PURPOSE.]

*In recognition of the importance of protecting the family farm, the rural community, and the stability and well-being of rural society in Minnesota, it is in the interest of the state to encourage persons to begin careers in agriculture.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20a, is amended to read:

Subd. 20a. [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) 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;

(3) 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;

(4) 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;

(5) 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 under Minnesota Statutes 1982, section 290.01, subdivision 20b, clause (7);

(6) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(7) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;

(8) 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;

(9) 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;

(10) 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;

(11) 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;

(12) 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;

(13) 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 equity investment credit contained in section 290.069, subdivision 4, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (7);

(14) 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;

(15) 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);



(16) The deduction for two-earner married couples provided in section 221 of the Internal Revenue Code of 1954;

(17) 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;

(18) Expenses and depreciation attributable to property subject to Laws 1982, chapter 523, article 7, section 3 which has not been registered;

(19) The amount of contributions to an individual retirement account, including a qualified voluntary employee contribution, simplified employee pension plan, or self-employed retirement plan which is allowed under sections 311 and 312 of Public Law Number 97-34, section 238 of Public Law Number 97-248, and section 103(d)(1)(B) of Public Law Number 97-448 to the extent those contributions were not an allowable deduction prior to the enactment of that law; (AND)

(20) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any contributions to a qualified pension plan, designated as employee contributions but which the employing unit picks up and which are treated as employer contributions pursuant to section 414(h)(2) of the Internal Revenue Code of 1954;

*(21) 50 percent of any expenses arising from agricultural land for which a deduction is allowed under section 4, subdivision 4; and*

*(22) amounts previously deducted pursuant to section 4, subdivision 4, and required to be included under section 4, subdivision 7, due to termination of a lease.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b, is amended to read:

Subd. 20b. [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 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) 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, (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, or (iii) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, provided that the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site. 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. For purposes of this clause, "severance pay" means an amount received for cancellation of an employment contract or a collectively bargained

termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future. 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) 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;

(8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(10) 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 subdivision 20b, clause (6);

(11) 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 subdivision 20b, clause (6);

(12) 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;

(13) 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;

(14) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(15) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17;

(16) Interest earned on a contract for deed entered into for the sale of property for agricultural use if the rate of interest set in the contract is no more than 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 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;

(17) 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;

(18) To the extent included in federal adjusted gross income, distributions from a qualified governmental pension plan which represent a return of designated employee contributions to the plan and which contributions were included in gross income pursuant to subdivision 20a, clause (20); (AND)

(19) To the extent included in federal adjusted gross income, distributions from an individual retirement account which represent a return of designated employee contributions if the contributions were included in gross income pursuant to subdivision 20a, clause (19). The distribution shall be allocated first to return of contributions included in gross income until the amount of the contributions has been exhausted; *and*

(20) Interest earned on capital gains or income recognized on the sale of agricultural land or income received from the rental of agricultural land, as allowed in section 4.

**Sec. 4. [290.088] [DEDUCTIONS FOR SALE OR RENTAL OF AGRICULTURAL LAND.]**

*Subdivision 1. [DEFINITIONS.] (a) "Agricultural land" means land which is or has been devoted for the last five years to agricultural purposes and includes any agricultural buildings or an agricultural homestead located thereon. Wetlands, naturally vegetated lands, and woodlands contiguous to or surrounded by agricultural lands are agricultural lands if under the same ownership or management during the period of agricultural use.*

*(b) "Agricultural purposes" means the production of vegetables, forage, grains, and other agricultural crops, livestock or livestock products, dairy animals or dairy products, poultry or poultry products, horticultural and nursery stock, fruit, or bees and apiary products.*

*(c) "Beginning farmer" means any person who is a United States citizen and Minnesota resident; who provides proof of participation in a farm management program; who uses or intends to use the agricultural land purchased or rented exclusively for agricultural purposes; who has with the assistance of the local soil and water conservation office prepared a plan for the farm rented or purchased; and who has, including spouse and dependents, a total net worth valued at less than \$150,000, adjusted as provided in subdivision 6.*

*(d) "Landowner" means a partner, family farm corporation, or an authorized farm corporation as defined in section 500.24, subdivision 2, which owns agricultural land, or an individual who is a United States citizen or permanent resident alien who owns agricultural land, except that any partner, family farm corporation, authorized farm corporation, or individual that acquires agricultural land for the purpose of obtaining the income tax deduction provided for in this section shall not be deemed to be a landowner.*

*(e) "Seller-sponsored loan" has the meaning given it in section 41.52, subdivision 8.*

*(f) "Rental income" means income, whether in cash or in crops, from the rental of at least 75 acres of agricultural land pursuant to a written lease of at least three years duration. If the lease provides for rent payment in crops, the amount of rental income is the cash value of the crops at the time they are received by the landowner. Crops are received by the landowner when the landowner has control over them or when the landowner can demand their payment under the lease.*

*Subd. 2. [CAPITAL GAINS DEDUCTION.] To the extent included in federal adjusted gross income, there shall be allowed as a subtraction from the federal adjusted gross income of any landowner, 50 percent of capital gains or income recognized and otherwise taxable on the sale of agricultural land consisting of 75 acres or more to a beginning farmer for agricultural purposes.*

*The deduction shall apply only to capital gains recognized in the taxable year during which the sale occurred. The deduction shall not apply to that portion of capital gains recognized and included in federal adjusted gross income which exceeds \$50,000.*

*Subd. 3. [DEDUCTION FOR INTEREST ON SALE WITH SELLER-SPONSORED LOAN.] There shall be allowed as a subtraction from the federal adjusted gross income of any landowner interest income earned on the sale of at least 75 acres of agricultural land with a seller-sponsored loan to a beginning farmer for agricultural purposes.*

*This subdivision shall apply only if the following conditions are met:*

*(1) The loan will be completely amortized in 20 years or less with even payments of interest and principal and no balloon payment at the end, or the loan is amortized for 20 years with a balloon payment in ten years or less;*

*(2) The loan has an annual imputed interest rate equal to the minimum rate allowed by the Internal Revenue Service for transactions between nonrelated parties to meet installment sales requirements; and*

*(3) The interest is not excludable under section 41.58, subdivision 3.*

*Subd. 4. [DEDUCTION FOR RENTAL INCOME.] There shall be allowed as a subtraction from federal adjusted gross income 50 percent of the rental income of a landowner from the rental to a beginning farmer of agricultural land used for agricultural purposes, however, no deduction is allowed for rental income exceeding \$10,000 per year, and the excess shall be treated as ordinary income.*

*No landowner may claim this deduction for leases with more than one beginning farmer from rentals on the same tract or parcel of land or from rentals to any member of the landowner's immediate family. The rental stated in the lease must be equal to or less than the prevailing free market gross rental rate for that grade of land as determined for property tax purposes for assessments made on January 2 of the year in which the lease is executed. The lease may provide that the rental rate shall be*

*related to the prevailing free market gross rental rate as determined for each year. The taxpayer must certify on the return that no rental agreement with any other person was cancelled for the purpose of qualifying for the deduction provided in this subdivision.*

*Subd. 5. [QUALIFICATION.] In order to qualify for any of the deductions provided in this section, the taxpayer shall file with the first income tax return on which the taxpayer claims a deduction under this section with respect to each sale or lease a notarized statement from the beginning farmer who purchased or rented the land. The statement shall contain a list of the assets, debts, and net worth of the beginning farmer together with any other information required by the commissioner of revenue.*

*Subd. 6. [NET WORTH ADJUSTMENT.] The maximum net worth allowed for qualification as a beginning farmer shall be annually adjusted by the percentage used to adjust the tax brackets as provided in section 290.06, subdivision 2d. The percentage announced by the commissioner in October under section 290.06, subdivision 2d, shall be the percentage by which the maximum net worth amount is increased for sales occurring or leases first occurring during the following calendar year.*

*Subd. 7. [EARLY TERMINATION OF LEASE.] If a lease is terminated by a land owner prior to expiration of the three-year period, there shall be added to gross income for the taxable year in which the lease was terminated amounts deducted in previous years pursuant to subdivision 4, to the extent that the deduction resulted in a tax benefit.*

#### Sec. 5 [EFFECTIVE DATE.]

*Sections 1 to 4 are effective for the sale or rental of agricultural land after July 1, 1983."*

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

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1032, A bill for an act relating to Washington county; permitting the county to assess for highway improvements within cities.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1153, A bill for an act relating to Anoka County; authorizing the issuance of bonds for the construction of library buildings and an annual levy for debt retirement.

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

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 1335, A bill for an act relating to housing; authorizing the Minnesota housing finance agency to establish and maintain an assisted rental program for residential housing; appropriating money; amending Minnesota Statutes 1982, sections 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 462A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 462A.05, is amended by adding a subdivision to read:

*Subd. 24. [LOANS TO SPONSORS OF RESIDENTIAL HOUSING.] The agency may make or participate in the making of loans to sponsors in conjunction with the construction or substantial rehabilitation of multi-unit residential housing for rental occupancy by persons and families of low and moderate income. The proceeds of the loans must be used to reduce rent payments that would otherwise be payable by persons and families of low and moderate income. The loans may be insured or uninsured, with or without interest, and repayable over a period of time as the agency deems advisable, not to exceed 30 years. In making loans, the agency shall determine the appropriate security for the repayment of the loan. The loans may only be in addition to, in combination with, and subordinate to long-term mortgage loans made by the agency. The loan funds may be disbursed to sponsors in a single installment or periodic installments by the agency or its designated agent. To provide for the long-term affordability of all or a portion of the housing to persons and families of low and moderate income, the agency may defer payments of principal and interest on the loans for a period of time as the agency deems advisable. No loan may be made unless the agency determines that the loan will make all or a portion of the housing more affordable for persons and*



*families of low and moderate income. The agency may enter into agreements with sponsors of multi-unit residential housing for rental occupancy to evidence its commitment to make or participate in making the loans. Agreements entered into by the agency must contain terms and provisions as the agency deems advisable, including but not limited to, terms and provisions (a) that obligate the sponsor to make available all or a portion of the housing to persons and families of low and moderate income; (b) that grant the agency the right to terminate the agreement if the sponsor commits a breach of the agreement; or (c) that grant the agency the right to declare the unpaid principal and accrued interest on loans immediately due and payable upon a breach of the agreement by the sponsor.*

Sec. 2. Minnesota Statutes 1982, section 462A.21, is amended by adding a subdivision to read:

*Subd. 13. [LOANS TO SPONSORS OF RESIDENTIAL HOUSING.] It may make or participate in the making of loans under section 1 to sponsors of multi-unit residential housing for rental occupancy by persons and families of low and moderate income.*

Sec. 3. [APPROPRIATION.]

*The sum of \$..... is appropriated from the general fund to the housing development fund for loans to sponsors of residential housing.*

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective July 1, 1984."*

Amend the title as follows:

Page 1, line 7, delete everything after "subdivision"

Page 1, line 8, delete everything before the period

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

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1345, A bill for an act relating to motor vehicles; providing for collection of a surcharge on leases for traffic

fine reimbursement; proposing new law coded in Minnesota Statutes, chapter 168.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [168.2711] [SURCHARGE ON LEASES.]

*Subdivision 1. [COLLECTION OF SURCHARGE.] Those persons or agencies that engage in the rental of passenger automobiles shall collect a surcharge of 25 cents on each rental transaction and pay the same to the state treasurer in quarterly installments, beginning September 30 of the year of enactment, to be kept by the state treasurer as an open appropriation of dedicated receipts which shall be disbursed as provided in this section. Any unexpended balance in the fund at the close of the biennium shall be credited to the state general revenue fund.*

*Subd. 2. [ACCOUNTABILITY OF TRAFFIC VIOLATIONS.] Those persons or agencies that engage in the rental of passenger automobiles shall inform and convey all information of traffic violations incurred by vehicles owned or controlled by them, while being rented, to the issuing authority within 15 days of the renting agency's knowledge. Information forwarded to the issuing authority, to the extent available, shall include driver's name, driver's license number, home address, employer, employer's address, post office box, form of payment, and local address, if any.*

*Upon compliance with this section the renting agency shall not be liable for the amount of the fine, late payment penalty, or cost of any warrants issued in connection with the violation. However, action on the part of the issuing authority relieving the lessor of liability shall not absolve the person who incurred the violation of any responsibility for the infraction.*

*Subd. 3. [REIMBURSEMENT FROM FUND.] Any city, county, or municipality in which traffic tickets are issued to renters of passenger automobiles for violations arising out of use and operation of such vehicles may apply to the state treasurer for reimbursement for an amount equal to fines incurred by persons renting the passenger automobiles, but left unpaid. Reimbursement shall be made from the fund provided in subdivision 1 upon submission of a proper claim to the state treasurer pursuant to procedures prescribed by the treasurer.*

*Subd. 4. [COLLECTION AND RETENTION OF FINES.] A city, county, or municipality that has obtained reimbursement for unpaid traffic fines as provided in subdivision 3 shall not thereby be precluded from collecting such fines directly from the person receiving the ticket who shall remain solely responsible. The amounts so collected may be retained by the city, county, or municipality notwithstanding the receipt of any reimbursement therefor pursuant to this section."*

Amend the title as follows:

Page 1, line 3, delete "leases" and insert "passenger automobile rentals"

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. 1376, A bill for an act establishing an agricultural resource loan guaranty program, board, and fund, and the terms of guaranties by the state of project loans in the program; appropriating money, taxes, tax increments, and other governmental charges; authorizing the issuance of state bonds; amending Minnesota Statutes 1982, sections 297A.44, subdivision 1; 362A.01, subdivision 1; and 362A.05; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapter 362A.

Reported the same back with the following amendments:

Page 2, line 25, after "commerce," insert "*the commissioner of energy and economic development,*"

Page 5, line 4, after "6" insert "*and subject to section 16A.80*"

Page 11, line 14, delete second "or"

Page 11, line 15, delete "*environmental worksheet*"

Page 13, line 9, delete "*may*" and insert "*shall*"

Page 13, line 10, delete "*not*" and after the period insert "*The board may adopt temporary rules which may be effective until December 31, 1985.*"

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

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1420, A bill for an act relating to public employment; regulating grievances of disciplinary actions; amending

Minnesota Statutes 1983 Supplement, section 179.70, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 4, after "action" insert "*other than the termination of a teacher contract or the discharge of a teacher pursuant to section 125.12 or 125.17,*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1421, A bill for an act relating to labor; authorizing certain payroll deductions; amending Minnesota Statutes 1982, section 181.06, subdivision 2.

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. 1425, A bill for an act relating to agriculture; providing for testing to measure milk protein; providing for payments for milk protein and nonfat solids; amending Minnesota Statutes 1982, section 32.25, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 32.25, subdivision 1, is amended to read:

Subdivision 1. [MILK FAT, (AND NONFAT) *PROTEIN*, AND SOLIDS NOT FAT BASES OF PAYMENT; TESTS.] (ALL MILK AND CREAM PURCHASED FROM PRODUCERS, AND ALL MILK, CREAM, SKIM MILK, AND BUTTERMILK PURCHASED BY ONE DAIRY PLANT FROM ANOTHER DAIRY PLANT FOR THE PURPOSE OF RESALE AS SUCH, OR FOR MANUFACTURE INTO DAIRY PRODUCTS, SHALL BE PURCHASED BY WEIGHT AND PAYMENT SHALL BE MADE THEREFOR UPON THE

BASIS OF MILK FAT THEREIN CONTAINED IN THE CASE OF MILK AND CREAM, AND ON THE BASIS OF NONFAT MILK SOLIDS CONTAINED THEREIN IN THE CASE OF SKIM MILK AND BUTTERMILK; PROVIDED, THAT IN PURCHASING WHOLE MILK THE PURCHASE PRICE OF SUCH MILK SHALL BE BASED UPON THE DECLARED PURCHASE PRICE OF 100 POUNDS OF WHOLE MILK (1) CALCULATED AT THREE AND ONE-HALF POUNDS OF MILK FAT PER HUNDREDWEIGHT, OR (2) CALCULATED AT THREE AND ONE-HALF POUNDS OF MILK FAT PER HUNDREDWEIGHT AND THE NONFAT SOLIDS CONTAINED THEREIN. THE LATTER BASIS SHALL BE USED ONLY AFTER THE COMMISSIONER HAS PROMULGATED, AS PROVIDED IN THIS SUBDIVISION, RULES AND REGULATIONS FOR THE TESTING OF NONFAT SOLIDS. WHEN THE MILK FAT TEST OF SUCH WHOLE MILK VARIES FROM 3.5 PERCENT, A UNIFORM ADJUSTMENT IN THE DECLARED PURCHASE PRICE SHALL BE MADE FOR EACH ONE-TENTH OF ONE PERCENT OF MILK FAT ABOVE OR BELOW 3.5 PERCENT.)

(THE PERCENTAGE OF MILK FAT IN SUCH MILK AND CREAM SHALL BE DETERMINED AS FOLLOWS: (1) BY THE BABCOCK TEST AND BY EMPLOYING A STANDARD OFFICIAL METHOD FOR OPERATING THIS TEST, WHICH METHOD SHALL BE THAT ADOPTED, PRESCRIBED, AND SET FORTH, WITH SPECIFICATIONS IN DETAIL, IN THE RULES AND REGULATIONS FROM TIME TO TIME MADE AND PUBLISHED BY THE COMMISSIONER IN THE MANNER PROVIDED BY LAW; OR (2) BY ALTERNATIVE TESTS WHICH NOT ONLY DETERMINE THE PERCENTAGE OF MILK FAT BUT ALSO DETERMINE THE AMOUNT OF NONFAT SOLIDS, WHEN THE COMMISSIONER IS SATISFIED THAT THESE ALTERNATIVE TESTS ARE CONSISTENTLY AS ACCURATE AS THE BABCOCK TEST IN DETERMINING THE PERCENTAGE OF MILK FAT. THE AMOUNT OF NONFAT MILK SOLIDS IN SKIM MILK AND BUTTERMILK SHALL BE DETERMINED BY METHODS PROVIDED FOR HEREIN. THE TESTS SHALL BE PERFORMED IN THE MANNER AND WITH EQUIPMENT PRESCRIBED BY RULES AND REGULATIONS PROMULGATED BY THE COMMISSIONER IN THE MANNER PROVIDED BY LAW.)

*All milk and cream purchased from producers shall be purchased by weight and one or more of the following methods:*

(1) *payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat;*

(2) *payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat and above or below 3.2 percent protein;*

(3) *payment of a standard rate with uniform differentials for milk testing above or below 3.5 percent milk fat and above or below 8.7 percent solids not fat;*

(4) *any other method of payment the commissioner deems necessary or appropriate.*

*In addition, an extra adjustment to the milk price may be made on the basis of milk quality, and the component price payment may be subject to the milk quality.*

*Testing procedures for determining the percentages of milk fat, protein, and milk solids not fat shall be adopted by rule.*

## Sec. 2. [EFFECTIVE DATE.]

*Clauses (2), (3), and (4) of Minnesota Statutes, section 32.25, subdivision 1, as amended by section 1, are effective upon adoption of the Upper Midwest (68), Eastern South Dakota (76), Chicago Area (30), and Iowa (79) Federal Milk Orders which would permit pricing by all purchasers from producers on a basis other than weight and milk fat content."*

Amend the title as follows:

Page 1, line 2, delete "testing to" and insert "alternative methods for establishing the value of milk purchased from producers"

Page 1, delete line 3

Page 1, line 4, delete "protein and nonfat solids"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1502, A bill for an act relating to children; providing special foster care and adoption procedures for Indian children; empowering tribal courts with jurisdiction of Indian child welfare; proposing new law coded in Minnesota Statutes, chapter 257.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [257.35] [CITATION.]

*Sections 1 to 16 may be cited as the "Minnesota Indian Child Welfare Act."*

Sec. 2. [257.351] [LEGISLATIVE PURPOSE.]

*The legislature declares that it is the policy of this state to protect the ethnic heritage or background of children who are subject to foster care or adoption. Where Indian children are involved, this policy can be implemented by maximizing cooperation between the state and the Indian children's tribes, by adopting or improving upon federal requirements in the area of Indian children subject to foster care or adoption, and by acknowledging and supporting the power of Indian tribes to develop tribal courts to take jurisdiction over the subject matter of sections 1 to 16.*

Sec. 3. [257.352] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] As used in sections 1 to 16, the following terms have the meanings given them.*

*Subd. 2. [ADMINISTRATIVE REVIEW.] "Administrative review" means review under Minnesota Statutes, section 257.071.*

*Subd. 3. [CHILD CUSTODY PROCEEDING.] "Child custody proceeding" means a judicial proceeding that could result in:*

*(1) "adoptive placement," which means the permanent placement of an Indian child for adoption, including any action resulting in a final decree of adoption;*

*(2) "involuntary foster care placement," which means an action removing an Indian child from its parents or Indian custodian for temporary placement in a foster home, institution, or the home of a guardian when the parent or Indian custodian cannot have the child returned upon demand, but parental rights have not been terminated;*

*(3) "preadoptive placement," which means the temporary placement of an Indian child in a foster home or institution after the termination of parental rights, before or instead of adoptive placement; or*

*(4) "termination of parental rights," which means any action resulting in the termination of the parent-child relationship under the provisions of Minnesota Statutes, section 260.221.*

*"Child custody proceeding" includes proceedings involving placements based upon juvenile status offenses, but not place-*

ments based upon acts which if committed by an adult would be deemed a crime, or based upon an award of custody in a divorce proceeding to one of the parents.

Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of public welfare.

Subd. 5. [DEMAND.] "Demand" means a written and notarized statement signed by a parent or Indian custodian of a child requesting the return of the child who has been voluntarily placed in foster care.

Subd. 6. [EXPERT WITNESS.] "Expert witness" means (1) a member of the Indian child's tribe recognized or certified by the tribe as knowledgeable in tribal customs relating to family organizations and childrearing practices; or (2) a lay expert witness or professional person having substantial experience in the delivery of child and family services to Indians and extensive knowledge of prevailing social and cultural standards and child-rearing practices within the Indian child's tribe.

Subd. 7. [EXTENDED FAMILY MEMBER.] "Extended family member" of either parent shall be defined by tribal law or custom of the Indian child's tribe. In the absence of tribal law or custom, an extended family member is a person who has reached the age of 18 and is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, stepparent, or stepbrother or stepsister.

Subd. 8. [INDIAN.] "Indian" means any person who is a member of an Indian tribe or an Alaskan native and a member of a Regional Corporation as defined in section 7 of the Alaska Native Claims Settlement Act, United States Code, title 43, section 1606.

Subd. 9. [INDIAN CHILD.] "Indian child" means an unmarried person who is under age 18 and is:

- (1) a member of an Indian tribe; or
- (2) eligible for membership in an Indian tribe and the biological child of a member of an Indian tribe.

Subd. 10. [INDIAN CHILD'S TRIBE.] "Indian child's tribe" means the Indian tribe of which an Indian child is a member or is eligible for membership. In the case of an Indian child who is a member of or eligible for membership in more than one tribe, the Indian child's tribe is the tribe with which the Indian child has the most significant contacts. If that tribe does not express an interest in the outcome of the actions taken under sec-



tions 1 to 16 with respect to the child, any tribe in which the child is eligible for membership that expresses an interest in the outcome may act as the Indian child's tribe.

Subd. 11. [INDIAN CUSTODIAN.] "*Indian custodian*" means an Indian person who has legal custody of an Indian child under tribal law or custom or under state law, or to whom temporary physical care, custody, and control has been transferred by the parent of the child.

Subd. 12. [INDIAN TRIBE.] "*Indian tribe*" means an Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the secretary because of their status as Indians, including any band under the Alaska Native Claims Settlement Act, United States Code, title 41, section 1602; and exercising tribal governmental powers.

Subd. 13. [LOCAL SOCIAL SERVICE AGENCY.] "*Local social service agency*" means the local agency under the authority of the county welfare or human services board or county board of commissioners that is responsible for human services.

Subd. 14. [PARENT.] "*Parent*" means the biological parent of an Indian child or any Indian person who has lawfully adopted an Indian child, including a person who has adopted a child by tribal law or custom. It does not include an unmarried father whose paternity has not been acknowledged or established.

Subd. 15. [PRIVATE CHILD PLACING AGENCY.] "*Private child placing agency*" means a private organization, association, or corporation providing assistance to children and parents in their own homes and placing children in foster care or for adoption.

Subd. 16. [RESERVATION.] "*Reservation*" means Indian country as defined in United States Code, title 18, section 1151, and any lands that are held by the United States in trust for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to a restriction by the United States against alienation.

Subd. 17. [SECRETARY.] "*Secretary*" means the secretary of the United States Department of the Interior.

Subd. 18. [TRIBAL COURT.] "*Tribal court*" means a court with jurisdiction over child custody proceedings that is either a Court of Indian Offenses, a court established and operated under the code or custom of an Indian tribe, or the administrative body of a tribe that is vested with authority over child custody proceedings.

*Subd. 19. [VOLUNTARY FOSTER CARE PLACEMENT.] "Voluntary foster care placement" means a decision in which there has been participation by a local social service agency or private child placing agency resulting in the temporary placement of an Indian child away from the home of its parents or Indian custodian in a foster home, institution, or the home of a guardian, and the parent or Indian custodian may have the child returned upon demand.*

**Sec. 4. [257.353] [SOCIAL SERVICE AGENCY NOTICE TO TRIBES.]**

*When the local social service agency determines that an Indian child is in a dependent or other condition that could lead to an out-of-home placement and requires the continued involvement of the agency with the child for a period in excess of 30 days, the agency shall send notice of the condition and the initial steps taken to remedy it to the Indian child's tribe within seven days of the determination. The local social service agency shall give the tribe full cooperation, including access to all files concerning the child if the tribe so requests, notwithstanding the provisions of chapter 13.*

**Sec. 5. [257.354] [VOLUNTARY FOSTER CARE PLACEMENTS.]**

*Subdivision 1. [NOTICE.] When an Indian child is voluntarily placed in foster care, the local social service agency involved in the decision to place the child shall give notice of the placement in the manner required under section 8 to the parents, the tribe, and the Indian custodian, or, under the circumstances described in section 8, the secretary, within seven days of placement, excluding weekends and holidays.*

*If a private licensed child placing agency makes a temporary voluntary foster care placement pending a decision on adoption by a parent, notice of the placement need not be given pursuant to section 8 until the filing of a petition for termination of parental rights or until four months following the temporary voluntary placement, whichever occurs first.*

*Subd. 2. [NOTICE OF ADMINISTRATIVE REVIEW.] In an administrative review of a voluntary foster care placement, the tribe of the child, the Indian custodian, and the parents of the child shall have notice and a right of participation in the review, including access to all files and documents pertaining to the placement notwithstanding the provisions of chapter 13.*

*Subd. 3. [RETURN OF A CHILD IN VOLUNTARY PLACEMENT.] Upon demand by the parent or Indian custodian of an Indian child, the local social service agency shall*

*return the child in voluntary foster care placement to the parent or Indian custodian within 24 hours of the receipt of the demand.*

**Sec. 6. [257.355] [EFFECT OF TRIBAL COURT PLACEMENT ORDERS.]**

*To the extent that any child subject to the provisions of this act is otherwise eligible for social services, orders of a tribal court concerning placement of the child shall have the same force and effect as orders of a court of this state.*

**Sec. 7. [257.356] [JURISDICTION; INTERVENTION; FULL FAITH AND CREDIT.]**

*Subdivision 1. [INDIAN TRIBE JURISDICTION.] An Indian tribe that has a tribal court has exclusive jurisdiction over a child custody proceeding involving an Indian child who resides or is domiciled within the reservation of the tribe. When an Indian child is in the legal custody of a person or agency pursuant to an order of a tribal court, the Indian tribe retains exclusive jurisdiction.*

*Subd. 2. [TRANSFER OF PROCEEDINGS.] In a proceeding for the termination of parental rights to or involuntary foster care placement of an Indian child not within the jurisdiction of the tribe under subdivision 1, the court shall transfer the proceeding to the jurisdiction of the tribe, absent objection by either parent, upon the petition of either parent, the Indian custodian, or the Indian child's tribe. Jurisdiction may be declined by the tribal court of the tribe.*

*Subd. 3. [INTERVENTION BY TRIBE.] In a proceeding for the termination of parental rights to or involuntary foster care placement of an Indian child, the Indian custodian of the child and the Indian child's tribe shall have a right to intervene at any point in the proceedings.*

*Subd. 4. [FULL FAITH AND CREDIT.] The state and its political subdivisions shall give full faith and credit to the public acts, records, and judicial proceedings of an Indian tribe that apply to Indian child custody proceedings.*

**Sec. 8. [257.357] [FOSTER CARE.]**

*Subdivision 1. [INVOLUNTARY PROCEEDING; NOTICE.] In a child custody proceeding the court shall determine whether an Indian child is involved. The party seeking the involuntary foster care placement of or termination of parental rights to an Indian child shall notify the parent and Indian custodian and the Indian child's tribe, by registered mail with*

return receipt requested, of the pending proceedings and of their right of intervention. If notification by registered letter return receipt requested is unsuccessful, notice by personal service shall be attempted no later than ten days after the mailing of the registered letter. If the identity or location of the parent or Indian custodian or the tribe cannot be determined, or if the attempt to serve notice to any of these parties is unsuccessful, notice must be served upon the secretary in like manner. No child custody proceeding that could have as a possible outcome either an involuntary foster care placement or a termination of parental rights shall be held until at least ten days after receipt of notice by the parent and Indian custodian and the tribe. If it has been necessary to serve notice upon the secretary, no proceeding shall be held until at least 20 days after receipt of the notice by the secretary. The parent or Indian custodian or the tribe shall, upon request, be granted up to 20 additional days to prepare for the proceeding.

*Subd. 2. [INDIGENCY.]* When the court determines indigency, the parent, the Indian custodian, and the child have the right to court-appointed counsel in a removal, placement, or termination proceeding. When an Indian custodian is involved, the court shall seek payment for legal counsel from the secretary in the manner described in United States Code, title 25, section 1912(b).

*Subd. 3. [ACCESS TO DOCUMENTS.]* Each party entitled to notice of a child custody proceeding involving an Indian child that could have as a possible outcome an involuntary foster care placement or termination of parental rights may examine all reports or other documents pertaining to the placement or termination, notwithstanding the provisions of chapter 13.

*Subd. 4. [REMEDIAL SERVICES.]* When a party initiates a child custody proceeding involving an Indian child that could have as a possible outcome an involuntary foster care placement or termination of parental rights, that party shall satisfy the court that active efforts have been made to provide remedial services and rehabilitative programs designed to prevent the breakup of the Indian family, including notice to the child's tribe, and that these efforts have proved unsuccessful.

*Subd. 5. [ADMISSIONS.]* Where a parent or Indian custodian voluntarily admits to the allegations of the complaint or petition in a child custody proceeding, the admission is not valid unless executed in writing, recorded before a judge, and accompanied by the presiding judge's certificate that the terms and consequences of the admission were fully explained and fully understood by the parent or Indian custodian. The court shall also certify that either the parent or Indian custodian fully understood the explanation in English or that it was interpreted in a language that the parent or Indian custodian understood.

**Subd. 6. [EVIDENCE REQUIRED FOR INVOLUNTARY FOSTER CARE PLACEMENT.]** *No involuntary foster care placement may be ordered in a proceeding absent a determination supported by clear and convincing evidence, including testimony of qualified expert witnesses, that the continued custody of the child by the parent or Indian custodian is likely to result in serious emotional or physical damage to the child.*

**Subd. 7. [EVIDENCE REQUIRED FOR TERMINATION OF PARENTAL RIGHTS.]** *No termination of parental rights may be ordered in a proceeding absent a determination supported by evidence beyond a reasonable doubt, including testimony of qualified expert witnesses, that the continued custody of the child by the parent or Indian custodian is likely to result in serious emotional or physical damage to the child.*

**Subd. 8. [EFFECT OF PRIOR VOLUNTARY PLACEMENT.]** *No involuntary foster care placement or termination of parental rights may be ordered where the determination is based solely upon the prior voluntary placement of the child.*

**Sec. 9. [257.358] [PARENTAL RIGHTS; VOLUNTARY TERMINATION.]**

**Subdivision 1. [PARENTAL CONSENT WITHDRAWN.]** *In a voluntary proceeding involving an Indian child for termination of parental rights or adoptive placement, the parent may withdraw consent for any reason at any time before the entry of a final decree of termination or adoption, if the adoption proceeding includes the termination of parental rights of either parent, and the child shall be returned to the parent.*

**Subd. 2. [WITHDRAWN CONSENT.]** *After the entry of a final decree of adoption of an Indian child, the parent may withdraw consent on the grounds that consent was obtained through fraud, or duress and may petition the court to vacate the decree. Upon a finding that the consent was obtained through fraud, or duress, the court shall vacate the decree and return the child to the parent.*

**Subd. 3. [RESTRICTIONS UPON CONSENT.]** *No consent to a termination of parental rights to or adoptive placement of an Indian child made prior to or within ten days of birth of the Indian child is valid.*

**Sec. 10. [257.359] [ADOPTIVE OR FOSTER PLACEMENT.]**

**Subdivision 1. [ADOPTION PLACEMENT PREFERENCE.]** *In an adoptive placement of an Indian child, a preference shall be given, absent good cause to the contrary, to a placement with:*

- (1) *a member of the child's extended family;*
- (2) *other members of the Indian child's tribe; or*
- (3) *other Indian families.*

*Subd. 2. [PLACEMENT FOR PREADOPTIVE OR FOSTER CARE.] A child accepted for foster care or preadoptive placement must be placed in the least restrictive setting that most resembles a family and in which his or her special needs, if any, may be met. The child must be placed reasonably close to his or her home, taking into account any special needs of the child. The child shall be placed in an environment that maintains sibling relationships, taking into account any special needs of the child. In a foster care or preadoptive placement, a preference shall be given, in the absence of good cause to the contrary, to a placement with:*

- (1) *a member of the Indian child's extended family;*
- (2) *a foster home licensed, approved, or specified by the Indian child's tribe;*
- (3) *an Indian foster home licensed or approved by an authorized non-Indian licensing authority; or*
- (4) *an institution for children approved by an Indian tribe or operated by an Indian organization that has a program suitable to meet the Indian child's needs.*

*Subd. 3. [TRIBAL PREFERENCE FOR PLACEMENT.] In the case of a placement under subdivisions 1 and 2 of this section, if the Indian child's tribe establishes a different order of preference by resolution, the agency or court effecting the placement shall follow the order as long as the placement is the least restrictive setting appropriate to the particular needs of the child, as provided in subdivision 2. If appropriate, the preference of the Indian child or parent shall be considered. If a consenting parent expresses a desire for anonymity, the court or agency shall give weight to that desire in applying the preferences.*

*Subd. 4. [STANDARDS FOR PREFERENCE.] The standards to be applied in meeting the preference requirements of this section are the prevailing social and cultural standards of the Indian community in which the parent or extended family resides or with which the parent or extended family members maintain social and cultural ties.*

*Subd. 5. [PLACEMENT RECORDS.] The commissioner shall maintain a record of the number and names of Indian children in placement by county of placement. The record shall*

*identify Indian children in placement in terms of the order of preference described in this section. This information shall be made available to an Indian tribe upon request by the tribe notwithstanding the provisions of chapter 13.*

*Subd. 6. [LOCATING THE EXTENDED FAMILY.] The agency seeking placement is responsible for making reasonable efforts to identify and locate extended family members.*

*Subd. 7. [PLACEMENT OUT OF ORDER OF PREFERENCE.] Where good cause exists to make a placement not within the order of preference described in this section, the court must determine that the benefits of the placement outweigh the potential effect of racial or ethnic discrimination against the child.*

**Sec. 11. [257.360] [STANDING TO INVALIDATE PROCEEDINGS.]**

*An Indian child who is the subject of an action for involuntary foster care placement or termination of parental rights, a parent or Indian custodian from whose custody the child was removed, and the Indian child's tribe may petition the court to invalidate the action upon a showing that the action was in violation of sections 3 to 10.*

**Sec. 12. [257.361] [PETITION FOR RETURN OF CUSTODY; REMOVAL FROM FOSTER CARE.]**

*Subdivision 1. [BIOLOGICAL PARENT PETITION.] When a final decree of adoption of an Indian child has been vacated or set aside, or the adoptive parents voluntarily consent to the termination of their parental rights to the child, a biological parent or prior Indian custodian may petition for return of custody and the court shall grant such petition unless there is a showing, in a proceeding subject to the provisions of section 8, that the return of custody is not in the best interests of the child.*

*Subd. 2. [NOTICE OF REMOVAL; REVIEW.] Whenever the placement of an Indian child may be changed, advance notice shall be provided to the child's tribe, and to the parents and the Indian custodian whose familial rights have not been terminated. Review of the placement shall be granted upon petition by the tribe or the parents of Indian custodian whose familial rights have not been terminated.*

**Sec. 13. [257.362] [INFORMATION ON TRIBAL AFFILIATION AND BIOLOGICAL PARENTS.]**

*Upon application by an adopted Indian adult over the age of 18, the court which entered the final decree shall inform the adopted Indian adult of the tribal affiliation, if any, of the*

*adopted Indian adult's biological parents and provide other information necessary to protect rights flowing from the individual's tribal relationship.*

Sec. 14. [257.363] [IMPROPER REMOVAL OF CHILD FROM CUSTODY.]

*If any petitioner in an Indian child custody proceeding has improperly removed the child from custody of the parent or Indian custodian, or has improperly retained custody after a visit or other temporary relinquishment of custody, the court shall decline jurisdiction over the petition and shall return the child to his parent or Indian custodian unless returning the child to his parent or custodian would subject the child to a substantial and immediate danger or threat of danger.*

Sec. 15. [257.364] [EMERGENCY REMOVAL OF CHILD.]

*Nothing in sections 1 to 16 prevents the emergency removal of an Indian child from his parent or Indian custodian or the emergency placement of the child in a foster home or institution in order to prevent imminent physical harm to the child. The local social service agency or private childplacing agency involved shall ensure that the emergency removal or placement terminates immediately when removal or placement is no longer necessary to prevent imminent physical harm to the child, and shall promptly initiate a child custody proceeding subject to the provisions of sections 1 to 16, transfer the child to the jurisdiction of the appropriate Indian tribe, or restore the child to the parent or Indian custodian.*

Sec. 16. [257.365] [RECORDS; INFORMATION AVAILABILITY.]

*Subdivision 1. [COURT DECREE INFORMATION.] A state court entering a final decree or order in an Indian child adoptive placement shall provide the secretary, the department of public welfare, and the child's tribe with a copy of the decree or order together with other information necessary to show:*

- (1) the name and tribal affiliation of the child;*
- (2) the names and addresses of the biological parents;*
- (3) the names and addresses of the adoptive parents; and*
- (4) the identity of any agency having files or information relating to the adoptive placement.*

*If the court records contain an affidavit of the biological parent or parents requesting anonymity, the court shall delete the*



*name and address of the biological parents from the information sent to the child's tribe.*

*Subd. 2. [DISCLOSURE OF RECORDS.] Upon the request of the adopted Indian child over the age of 18, the adoptive or foster parents of an Indian child, or an Indian tribe, the department of public welfare shall disclose information necessary for membership of an Indian child in the tribe in which the child may be eligible for membership, or for determining any rights or benefits associated with that membership. If the documents relating to the child contain an affidavit from the biological parent or parents requesting anonymity, the department of public welfare shall delete the name and address of the biological parents from the information sent to the child's tribe."*

Delete the title and insert:

"A bill for an act relating to children; providing special foster care and adoption procedures for Indian children; proposing new law coded in Minnesota Statutes, chapter 257."

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

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1509, A bill for an act relating to motor vehicles; prohibiting fees for the return of number plates; amending Minnesota Statutes 1982, section 168.15.

Reported the same back with the following amendments:

Page 2, delete lines 29 and 30

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

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1527, A bill for an act relating to labor; providing for occupational safety and health; regulating infectious agents;

amending Minnesota Statutes 1983 Supplement, section 182.653, subdivision 4f.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 182.653, subdivision 4b, is amended to read:

Subd. 4b. Prior to an employee's initial assignment to a workplace where the employee may be routinely exposed to a hazardous substance or harmful physical agent, the employer shall provide training concerning the hazardous substance or harmful physical agent. The employer shall provide additional instruction whenever the employee may be routinely exposed to any additional hazardous substance or harmful physical agent. The term “routinely exposed” includes the exposure of an employee to a hazardous substance when assigned to work in an area where a hazardous substance has been spilled.

For each hazardous substance to which the employee may be routinely exposed, the employer's training program shall include:

(a) the name or names of the substance including any generic or chemical name, trade name, and commonly used name;

(b) the level, if any and if known, at which exposure to the substance has been determined to be safe according to standards adopted by the commissioner, or, if no standard has been adopted, according to guidelines established by competent professional groups including but not limited to the American Industrial Hygiene Association, the American Conference of Governmental Industrial Hygienists, the Center for Disease Control, the Bureau of Radiological Health, and the American National Standards Institute;

(c) the known acute and chronic effects of exposure at hazardous levels;

(d) the known symptoms of the effects;

(e) any potential for flammability, explosion, or reactivity of the substance;

(f) appropriate emergency treatment;

(g) the known proper conditions for safe use of and exposure to the substance;

(h) procedures for cleanup of leaks and spills;

(i) the name, phone number and address of the manufacturer of the hazardous substance; and

(j) a written copy of all of the above information which shall be readily accessible in the area or areas in which the hazardous substance is used or handled.

Employees who have been routinely exposed to a hazardous substance prior to the effective date of Laws 1983, chapter 316 and who continue to be routinely exposed to that hazardous substance after the effective date of Laws 1983, chapter 316, shall be trained with respect to that hazardous substance within six months of the effective date of Laws 1983, chapter 316.

Training to update the information required to be provided under this subdivision shall be repeated at intervals no greater than one year.

Every employer shall maintain current information for training under this subdivision or for information requests by employees under section 182.654, subdivision 10.

This subdivision does not apply to any employer engaged in a farming operation.

This subdivision does not apply to any small business.

*Any technically qualified individual may elect to participate in any training or update programs required to be provided under this subdivision to employees who are not technically qualified individuals.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 182.653, subdivision 4c, is amended to read:

Subd. 4c. For each harmful physical agent to which an employee may be routinely exposed, the employer's training program shall include the information required by the standard for that physical agent as determined by the commissioner, including but not limited to:

(a) the name or names of the physical agent including any commonly used synonym;

(b) the level, if any and if known, at which exposure to the physical agent has been determined to be safe according to standards adopted by the commissioner, or, if no standard has been adopted, according to guidelines established by competent professional groups including but not limited to the American Conference of Governmental Industrial Hygienists, the Center for Disease Control, the Bureau of Radiological Health, and the American National Standards Institute;

- (c) the known acute and chronic effects of exposure at hazardous levels;
- (d) the known symptoms of the effects;
- (e) appropriate emergency treatment;
- (f) the known proper conditions for safe use of and exposure to the physical agent;
- (g) the name, phone number and address, if appropriate, of the manufacturer of the harmful physical agent; and
- (h) a written copy of all of the above information which shall be readily accessible in the area or areas in which the harmful physical agent is present and where the employee may be exposed to the agent through use, handling or otherwise.

Employees who have been routinely exposed to a harmful physical agent prior to the effective date of Laws 1983, chapter 316 and who continue to be routinely exposed to that harmful physical agent after the effective date of Laws 1983, chapter 316, shall be trained with respect to that harmful physical agent within six months of the effective date of Laws 1983, chapter 316.

Training to update the information required to be provided under this subdivision shall be repeated at intervals no greater than one year.

Every employer shall maintain current information for training under this subdivision or for information requests by employees under section 182.654, subdivision 10.

This subdivision does not apply to any employer engaged in a farming operation.

*Any technically qualified individual may elect to participate in any training or update programs required to be provided under this subdivision to employees who are not technically qualified individuals.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 182.653, subdivision 4f, is amended to read:

Subd. 4f. Each employer who operates a hospital or clinic shall provide training according to a program developed by the commissioner by rule with approval of the commissioner of health to its employees who are routinely exposed to an infectious agent. The training shall include the information required by the rule for that agent as developed by the commissioner and shall include, if known, names of infectious agents to which the

employee is routinely exposed, proper techniques for the employee to avoid self-contamination, and symptoms and effects of contamination. Training shall be provided upon the initial assignment of the employee to a job where that person will be routinely exposed to an infectious agent. Existing inservice, hospital licensure or certification programs which the commissioner determines substantially comply with the rules adopted pursuant to this subdivision may be certified by the commissioner to satisfy all or a part of the rules. "Infectious agent" means a communicable bacterium, *rickettsia*, parasites, virus, or fungus determined by the commissioner by rule, with approval of the commissioner of health, which according to documented medical or scientific evidence causes substantial acute or chronic illness or permanent disability as a foreseeable and direct result of any routine exposure to the infectious agent. Infectious agent does not include an agent in or on the body of a patient before diagnosis.

Infectious agent does not include an agent being developed or regularly utilized by a technically qualified individual in a research, medical research, medical diagnostic or medical educational laboratory or in a health care facility or in a clinic associated with a laboratory or health care facility, or in a pharmacy registered and licensed under chapter 151. The exemption in this clause does not include an infectious agent utilized in a laboratory that primarily provides a quality control analysis for a manufacturing process.

Employees who have been routinely exposed to an infectious agent prior to the effective date of Laws 1983, chapter 316 and who continue to be routinely exposed to that infectious agent after the effective date of Laws 1983, chapter 316, shall be trained with respect to that infectious agent within six months of the effective date of Laws 1983, chapter 316.

Training to update the information required to be provided under this subdivision shall be repeated at intervals no greater than one year.

*Any technically qualified individual may elect to participate in any training or update programs required to be provided under this subdivision to employees who are not technically qualified individuals.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 182.654, subdivision 11, is amended to read:

Subd. 11. An employee acting in good faith has the right to refuse to work under conditions which the employee reasonably believes present an imminent danger of death or serious physical harm to the employee.

A reasonable belief of imminent danger of death or serious physical harm includes but is not limited to a reasonable belief of the employee that the employee has been assigned to work with a hazardous substance, harmful physical agent or infectious agent under conditions which are inconsistent with the training or information provided by the employer pursuant to section 182.653, subdivision 4b, clauses (g) or (h), section 182.653, subdivision 4c, clause (f), section 182.653, subdivision 4d, section 182.653, subdivision 4e, section 182.653, subdivision 4f, or section 182.654, subdivision 10.

An employer may not discriminate against an employee for a good faith refusal to perform assigned tasks if the employee has requested that the employer correct the hazardous conditions but the conditions remain uncorrected.

An employee who has refused in good faith to perform assigned tasks and who has not been reassigned to other tasks by the employer shall, in addition to retaining a right to continued employment, receive pay for the tasks which would have been performed if (1) the employee requests the commissioner to inspect and determine the nature of the hazardous condition, and (2) the commissioner determines that the employee, by performing the assigned tasks, would have been placed in imminent danger of death or serious physical harm; or (3) the employee requests the commissioner to inspect and determine if a hazardous condition exists, and (4) the commissioner determines that the employer has failed to provide the training required under section 182.653, subdivision 4b, 4c, 4d, 4e, or 4f prior to the employee's initial assignment to a workplace where the employee may be routinely exposed to a hazardous substance or harmful physical agent and the employer has failed to provide the information required under section 182.653, subdivision 4b, 4c, 4d, 4e, or 4f after a request pursuant to section 182.654, subdivision 10 within a reasonable period of time, but not to exceed 24 hours, of the request.

*Nothing in this subdivision shall give a technically qualified individual who elects to participate in the training required under section 182.653, subdivision 4b, 4c, or 4f, the right to refuse to work as provided under this subdivision because his or her employer has failed to provide a training program required under those subdivisions."*

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, delete "subdivision" and insert "subdivisions 4b, 4c, and"

Page 1, line 5, before the period insert "; and 182.654, subdivision 11"

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. 1532, A bill for an act relating to agriculture; designating milk as the official state drink; proposing new law coded in Minnesota Statutes, chapter 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1535, A bill for an act relating to courts; abolishing the county and probate court; transferring the jurisdiction, cases, records, and employees of that court to the district court; merging the municipal and conciliation courts with the district court in the second and fourth judicial districts; transferring the jurisdiction, cases, records, and employees of those courts to the district court; providing that municipal, probate, and county judges learned in the law are district judges; providing that the county court judge not learned in the law is an associate judge; limiting the creation of additional referee, law clerk, courtroom bailiff, and courtroom deputy clerk positions; providing transitional retirement benefits; amending Minnesota Statutes 1982, sections 2.722, subdivision 1; 484.01; 484.545, subdivision 1; 484.64, subdivision 3; 484.65, subdivision 7; and 484.69, subdivisions 1 and 3; Minnesota Statutes 1983 Supplement, sections 260.031, subdivision 1; and 484.70, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 487; 488A; and 490; repealing Minnesota Statutes 1982, section 487.191.

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

The report was adopted.

#### POINT OF ORDER

Rice raised a point of order pursuant to rule 5.7 that H. F. No. 1535 be re-referred to the Committee on Appropriations. The Speaker ruled the point of order well taken and H. F. No. 1535 was re-referred to the Committee on Appropriations.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1603, A bill for an act relating to agriculture; establishing a grape research and promotion program funded by a portion of the wine excise tax; appropriating money; amending Minnesota Statutes 1983 Supplement, section 340.485, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 340.

Reported the same back with the following amendments:

Page 2, line 6, delete "*and promotion*"

Page 2, line 21, delete "AND PROMOTION"

Page 2, lines 24 and 32, delete "*and promotion*"

Page 2, delete lines 33 to 36

Page 3, delete lines 1 to 16 and insert:

*"Subd. 3. [PROGRAM ADMINISTRATION.] The University of Minnesota's agricultural research station in cooperation with members of the Minnesota grape growers association and other active regional grape growers shall form a grape research council for the purpose of establishing research priorities and administering the grape research fund.*

*The fund is to be used to expand and improve Minnesota's grape research program as deemed best by the grape research committee. Funds will be made available from the grape research fund to colleges, universities, corporations, and individuals who may ask the grape research council for financing programs or projects they may wish to undertake.*

*The grape research council consists of seven members, three of whom shall be active area grape growers and four of whom shall be researchers and processors at the discretion of the University of Minnesota's horticulture department."*

Page 3, lines 18 and 19 delete "*and promotion*"

Page 3, line 21, delete "*the promotion of*"

Amend the title:

Page 1, line 3, delete "*and promotion*"

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

The report was adopted.



Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1620, A bill for an act relating to rehabilitation services for blind and visually handicapped persons; authorizing adoption of rules; amending Minnesota Statutes 1982, section 248.07, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 1652, A bill for an act relating to no-fault insurance; requiring no-fault insurance coverage of certain benefits rather than medicare coverage; amending Minnesota Statutes 1982, section 65B.61, subdivision 1; repealing Minnesota Statutes 1982, section 65B.61, subdivision 2b.

Reported the same back with the recommendation that 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. 1663, A bill for an act relating to agriculture; making certain changes in apiary law; amending Minnesota Statutes 1983 Supplement, sections 19.55; 19.56; 19.57; 19.58, subdivisions 1 and 2; 19.64, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1983 Supplement, section 19.58, subdivision 6.

Reported the same back with the following amendments:

Page 5, delete lines 1 and 2, and insert:

*"If a person for whom these inspections or services are to be performed requests it, the commissioner shall provide to the person in advance an estimate of the fees or expenses that will be charged."*

Page 5, after line 5, insert:

“Sec. 9. [EFFECTIVE DATE.]

*Sections 1, 2, 4, 5, 7, and 8 are effective the day following final enactment.”*

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. 1668, A bill for an act relating to education; creating the Minnesota educational computing corporation as a public corporation; transferring assets of the Minnesota educational computing consortium to the corporation; amending Minnesota Statutes 1983 Supplement, section 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivision 1; 135A.07, subdivision 2; and proposing new law coded as Minnesota Statutes, chapter 119; repealing Minnesota Statutes 1982, section 120.83; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81.

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

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1670, A bill for an act relating to transportation; expanding scope of state commuter van transportation program; amending Minnesota Statutes 1982, section 16.756, subdivisions 1, 1a, and 2.

Reported the same back with the following amendments:

Page 2, line 20, strike “State” and “employees and their”

Page 2, line 21, strike “spouses and other people”

Page 2, line 22, strike “shall also be eligible for the employee”

Page 2, strike line 23

Page 2, line 24, strike “provided, however, that”

Page 2, line 25, strike "are" and insert "*must be*"

Page 2, line 25, strike "provided, further, that"

Page 2, line 26, after "employees" insert "*must*"

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

The report was adopted.

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

H. F. No. 1700, A bill for an act relating to insurance; increasing replacement service loss benefits in no-fault auto insurance; amending Minnesota Statutes 1982, section 65B.44, subdivision 5.

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

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1703, A bill for an act relating to local government; authorizing joint exercise of police powers; amending Minnesota Statutes 1982, section 471.59, by adding a subdivision.

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

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1722, A bill for an act relating to crimes; changing the limitation period for certain criminal sexual conduct offenses; amending Minnesota Statutes 1982, section 628.26.

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

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 1725, A bill for an act relating to energy; providing for miscellaneous changes in the programs of the state related to energy; appropriating money; amending Minnesota Statutes 1982, section 116J.19, subdivision 13; Minnesota Statutes 1983 Supplement, sections 116J.09; 116J.18, subdivision 1; and 116J.31; proposing new law coded in Minnesota Statutes, chapter 116J.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 16.02, is amended by adding a subdivision to read:

*Subd. 30. [ENERGY CONSERVATION INCENTIVES.] Notwithstanding any other law to the contrary, fuel cost savings resulting from energy conservation actions shall be available at the managerial level at which the actions took place for expenditure for other purposes within the biennium in which the actions occur or in the case of a shared savings agreement for the contract period of the shared savings agreement. For purposes of this subdivision “shared savings agreement” means a contract meeting the terms and conditions of subdivision 29.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 116J.09, is amended to read:

116J:09 [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 116J.05 to 116J.30;

(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) evaluate policies governing the establishment of rates and prices for energy as related to energy conservation, and other goals and policies of sections 116J.05 to 116J.30, and make recommendations for changes in energy pricing policies and rate schedules;

(g) study the impact and relationship of the state energy policies to international, national, and regional energy policies;

(h) 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;

(i) inform and educate the public about the sources and uses of energy and the ways in which persons can conserve energy;

(j) dispense funds made available for the purpose of research studies and projects of professional and civic orientation, which are related to either energy conservation, resource recovery, or the development of alternative energy technologies which conserve nonrenewable energy resources while creating minimum environmental impact;

(k) charge other governmental departments and agencies involved in energy related activities with specific information gathering goals and require that those goals be met;

(l) (REPORT TO THE LEGISLATURE BY FEBRUARY 1 OF EACH YEAR BOTH THE PROCESSES AND RESULTS OF EFFORTS TO COMMUNICATE THE STATUTORY REQUIREMENTS CONCERNING ENERGY EFFICIENCY STANDARDS UNDER SECTION 116J.27 AND THE EXTENT OF COMPLIANCE WITH THE REQUIREMENTS) *design and implement a comprehensive program for the development of indigenous energy resources. The program shall include, but not be limited to, providing technical, informational, educational, and financial services and materials to persons, businesses, municipalities, and organizations involved in the development of solar, wind, hydropower, peat, fiber fuels, biomass, and other alternative energy resources.*

Further, the commissioner may participate fully in hearings before the public utilities commission on matters pertaining to rate design, cost allocation, efficient resource utilization, utility conservation investments, small power production, cogeneration, and other rate issues. The commissioner shall support the policies stated in section 116J.05 and shall prepare and defend testimony proposed to encourage energy conservation improvements as defined in section 216B.241.

Sec. 3. Minnesota Statutes 1983 Supplement, section 116J.18, subdivision 1, is amended to read:

Subdivision 1. [(STATE ENERGY POLICY AND CONSERVATION) REPORT.] By July 1 of (EACH EVEN-NUMBERED YEAR) 1988 and every four years thereafter, 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 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 116J.17 AND THE ALTERNATIVES TO MEETING THAT DEMAND;)

((B) AN ESTIMATE OF STATEWIDE AND UTILITY SERVICE AREA ENERGY NEED FOR THE FORTHCOMING 20 YEAR PERIOD WHICH, IN THE JUDGMENT OF THE COMMISSIONER, WILL REASONABLY BALANCE REQUIREMENTS OF STATE 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 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 COMMERCIALY 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 116J.05 TO 116J.30.) *issue a comprehensive report designed to identify major emerging trends and issues in energy supply, consumption, conservation, and costs. The report shall include the following:*

*(a) projections of the level and composition of statewide energy consumption under current government policies and an evaluation of the ability of existing and anticipated facilities to supply the necessary energy for that consumption;*

*(b) projections of how the level and the composition of energy consumption would be affected by new programs or new policies;*

*(c) projections of energy costs to consumers, businesses, and government;*

*(d) identification and discussion of key social, economic, and environmental issues in energy;*

*(e) explanations of the department's current energy programs and studies; and*

*(f) recommendations.*

Sec. 4. Minnesota Statutes 1982, section 116J.19, subdivision 13, is amended to read:

Subd. 13. Beginning January 1, (1978) 1985, no new room air conditioner or room air conditioner heat pump shall be sold or installed or transported for resale into Minnesota unless it has an energy efficiency ratio of (7.0) 7.8 or higher. For purposes of this subdivision, "energy efficiency ratio" means the ratio of the

cooling capacity of the air conditioner in British thermal units per hour to the electrical input in watts. (TO DETERMINE THE ENERGY EFFICIENCY RATIO, ALL ROOM AIR CONDITIONER MODELS SHALL BE TESTED IN ACCORDANCE WITH THE METHODS AND CONDITIONS SPECIFIED IN AMERICAN NATIONAL STANDARD Z234.1, AND AMERICAN SOCIETY OF HEATING, REFRIGERATING, AND AIR CONDITIONING ENGINEERS STANDARD 16-69) *The cooling capacity, electrical input, and energy efficiency ratio of room air conditioners and room air conditioning heat pumps is determined by using the standard for room air conditioners, approved by the American National Standards Institute on April 20, 1972, known as ANSI/AHAM RAC-1, with ASHRAE 58-74 used in lieu of ASHRAE 58-65. The method of sampling of room air conditioners shall be that required by the Department of Energy and found in Federal Register, volume 44, pages 22410-22418 (April 13, 1979). A new room air conditioner having dual voltage ratings shall conform to the energy efficiency ratio requirements at each rating. (THIS SUBDIVISION SHALL NOT APPLY TO AIR CONDITIONERS IN MINNESOTA ON OCTOBER 1, 1977.)*

Sec. 5. [116J.261] [ENERGY ENGINEERING EXTENSION SERVICE.]

*Subdivision 1. [CREATION, GOALS.] To further the development of indigenous energy resources and energy conservation, the commissioner shall establish an energy engineering extension service. The service shall facilitate the development of specific projects in the public and private sectors as well as providing the broad range of information, education, and technical assistance services necessary to accelerate energy conservation and alternative energy development in the state.*

*Subd. 2. [DUTIES.] The energy engineering extension service shall:*

*(a) provide on-site technical assistance for alternative energy and conservation projects;*

*(b) develop information materials and educational programs to meet the needs of engineers, technicians, developers, and others in the alternative energy field;*

*(c) conduct feasibility studies when the results of the studies would be of benefit to others working in the same area; and*

*(d) facilitate development of energy projects through assistance in finding financing, meeting regulatory requirements, gaining public and private support, limited technical consultation, and similar forms of assistance.*



Sec. 6. Minnesota Statutes 1983 Supplement, section 116J.31, is amended to read:

116J.31 [ENERGY AUDITS.]

The commissioner shall develop and administer state programs of energy audits of residential and commercial buildings including those required by United States Code, title 42, section 8211, et seq. and section 8281, et seq. (THE ATTORNEY GENERAL MAY RELEASE INFORMATION ON CONSUMER COMPLAINTS ABOUT THE OPERATION OF THE PROGRAM TO THE COMMISSIONER.) *The commissioner shall continue to administer the residential energy audit program as originally established under the provisions of United States Code, title 42, section 8211, et seq., through July 1, 1986, irrespective of any prior expiration date provided in United States Code, title 42, section 8216. The commissioner shall have authority to approve temporary programs if they are likely to result in the installation of as many conservation measures as would have been installed had the utility met the requirements of United States Code, title 42, section 8211, et seq. The consumer services division and the attorney general are authorized to release information on consumer comments about the operation of the program to the commissioner.*

Sec. 7. Minnesota Statutes 1982, section 116J.36, as amended by Laws 1983, chapter 301, section 129, is amended to read:

116J.36 [DISTRICT HEATING AND QUALIFIED ENERGY IMPROVEMENT LOANS.]

Subdivision 1. [POLICIES.] Developing and improving efficient and economical district heating systems and certain public works capital improvements which conserve energy or substitute a lower cost, more plentiful, or indigenous fuel 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) industry, commerce, and residential heating. Imported supplies of certain fuels 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. *Certain other types of improvements*

*offer municipalities substantial opportunities for reducing energy costs or generating revenues from wastes. Municipal district heating systems and other qualified improvements which conserve energy or allow for the substitution of fuels may be financed by loans from the state and from other sources available to municipalities.*

Subd. 2. [DEFINITIONS.] In this section:

(a) "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.

(b) "District heating" means the use of a central energy conversion facility to produce hot water or steam for a district heating system. District heating facilities may also produce electricity in addition to hot water or steam.

(c) "Municipality" means any county, city, town, *school district, or a municipal power agency* (, OR) *formed pursuant to sections 453.53 to 453.62. Municipality also means a public utility, as defined in section 452.01, subdivision 3, owned and operated by a city, however organized (OR). For purposes of a district heating system only, municipality also means a non-profit 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.*

(d) "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.

(e) "*Qualified energy improvement*" means a capital improvement to public land, buildings, or energy using systems, other than a district heating system, including the purchase or installation of equipment to reduce the usage of conventional energy sources or to use alternative energy resources. *Qualified energy improvements also include waste-to-energy facilities which meet the criteria specified in subdivision 8a and any rule adopted thereto.*

Subd. 3. [ELIGIBILITY, DISTRICT HEATING.] The commissioner of finance, upon (REQUEST) recommendation of the (GOVERNOR) authority, may make loans to municipali-

ties for the acquisition, construction, expansion, or modification of district heating systems. A loan shall be made only to a municipality that has demonstrated *to the authority* that:

(a) The municipality has the financial capability to sponsor the project;

(b) The project is technologically feasible;

(c) The district heating project will become a cogeneration facility or the project will utilize hot water or, if the project involves an existing district steam heating system, the project will become integrated with a hot water district heating system, or the project will allow the use of nonpetroleum fuels or will construct an efficient heat transmission system; and

(d) The municipality has made adequate provision to assure proper and efficient operation and maintenance of the project after construction is completed.

Subd. 3a. [ELIGIBILITY, QUALIFIED ENERGY IMPROVEMENTS.] *The commissioner of finance, upon recommendation of the authority, may make loans to a municipality for the acquisition, construction, or expansion of a qualified energy improvement. A loan shall be made only to a municipality that has demonstrated that:*

(a) *the municipality has the financial capability to sponsor the qualified energy improvement;*

(b) *the improvement is technologically feasible;*

(c) *the improvement conforms to criteria specified in subdivision 8a and any rule adopted thereto; and*

(d) *the municipality has made adequate provision to assure proper and efficient operation and maintenance of the improvement after construction is completed.*

Subd. 3b. [GRANT ELIGIBILITY, DISTRICT HEATING.] The commissioner of energy (, PLANNING) and economic development may provide planning grants to municipalities for planning related to the development of district heating systems. The municipality must demonstrate that a community heatload survey and map have been successfully completed, that potential district heating load is sufficiently large to justify further consideration, and that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include project definition, development of preliminary financing and distribution system plans, and ob-

taining commitment for detailed planning or design and preparation of a final report. The amount of the grant to a municipality is limited to 90 percent of eligible planning costs and shall not exceed \$70,000 as established by rule or temporary rule.

*Subd. 3c. [GRANT ELIGIBILITY, QUALIFIED ENERGY IMPROVEMENTS.] The commissioner of energy and economic development may provide planning grants to municipalities for planning related to the development of qualified energy improvements. The municipality must demonstrate that sufficient resources are available for the municipality to meet its financial requirements. Eligible planning grant costs include definition of the improvement, development of preliminary financing plans, and obtaining commitment for detailed planning or design and preparation of a final report. The amount of a grant to a municipality is limited to 90 percent of eligible planning costs and shall not exceed \$100,000 as established by rule or temporary rule.*

*Subd. 4. [PRIORITIES, DISTRICT HEATING.] The (COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT) authority shall give higher priority to a project that does more to achieve the following goals:*

(a) The district heating conversion facility employs cogeneration techniques;

(b) The facility uses renewable or nonpetroleum sources of energy;

(c) The district heating facility will save petroleum or natural gas;

(d) The operation of the district heating facility will not have an adverse impact on the environment;

(e) The district heating facility may readily be expanded to serve additional customers or to supply additional amounts of energy, and market demand for the energy exists;

(f) The project has obtained additional financing from the federal government, private sources, or other sources of capital; and

(g) Other goals the (COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT) authority finds desirable for district heating systems.

*Subd. 4a. [PRIORITIES, ENERGY IMPROVEMENTS.] The authority shall give higher priority to qualified energy improvements that come closest to achieving the following goals:*

(a) *reducing the dependence of a municipality on imported fuels;*

(b) *providing a cost reduction or revenue source for the municipality;*

(c) *providing multiple benefits to residents within the municipality;*

(d) *demonstrating technologies for solid waste treatment.*

Subd. 5. [APPLICATION.] Application for a loan to be made pursuant to subdivision 6 or 7 shall be made by a municipality to the (COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT) *authority* on a form prescribed by the (COMMISSIONER OF ENERGY, PLANNING AND ECONOMIC DEVELOPMENT BY RULE) *authority*. The (COMMISSIONER OF ENERGY, PLANNING AND DEVELOPMENT) *authority* shall (REVIEW EACH APPLICATION AND) determine:

(a) Whether or not the project or proposed energy improvement is eligible for a loan;

(b) the priority of the project or qualified energy improvement when ranked with (ALL) other eligible projects or improvements for which a loan application has been submitted;

(c) The total estimated cost of the project or improvement;

(d) The amount of the loan for which the project or improvement is eligible;

(e) The terms upon which the loan would be made; and

(f) The means by which the municipality proposes to finance the project or improvement, including:

(1) A loan authorized by state law; or

(2) A grant of money appropriated by state law; or

(3) A grant to the municipality by an agency of the federal government within the amount of money then appropriated to that agency and allocated by it to projects or improvements within the state; or

(4) The appropriation of proceeds of bonds or other money of the municipality to an account for the construction of the project or improvement; or

(5) User charges, franchise fees, special assessments or taxes; or

(6) Any or all of the means referred to in clauses (1) to (5).

Subd. 6. [LOANS, DISTRICT HEATING AND QUALIFIED ENERGY IMPROVEMENTS.] Upon the recommendation of the (GOVERNOR) *authority* pursuant to subdivision 8, the commissioner of finance shall make loans to municipalities on the following terms:

(a) In the case of loans for design costs, the maximum amount of the loan shall be limited by the provisions of this clause. For cities of the first class *and counties containing a city of the first class, individually or through the exercise of joint powers agreements*, the amount of the loan shall not exceed 40 percent of the design costs. For cities of the second, third and fourth class, *and other municipalities*, the amount of the loan shall not exceed 90 percent of the design costs;

(b) In the case for loans for construction costs, a municipality must demonstrate that all design activities have been completed; that the project *or improvement* is economically and technologically feasible; that the district heating system *or qualified energy improvement* will be constructed, and that it has made adequate provisions to assure proper and efficient operation and maintenance of the project *or improvement*. For cities of the first class *and counties containing a city of the first class, individually or through the exercise of joint powers agreements*, the amount of the loan shall be up to 50 percent of the construction costs. For cities of the second class, the amount of the loan shall be up to 80 percent of the construction costs. For cities of the third or fourth class, *and other municipalities*, the amount of the loan shall be up to 90 percent of the construction costs.

(c) A loan made pursuant to this section is repayable over a period of *not more than 20 years* (, WITH INTEREST PAYMENTS BEGINNING THE FIRST YEAR) *from the date the loan is made*. Interest shall accrue from the date of the loan at a rate of interest assigned at the date of loan commitment, *but the first payment of interest shall not be due until one year after the loan was made*. Principal payments shall begin in the sixth year after the receipt of the loan on a 25 year level payment schedule with the balance of the principal to be retired with the payment due 20 years after receipt of the loan. *Interest attributable to the first year of deferred payment shall be amortized in equal periodic payments over the remainder of the term of the loan. For each loan, the initial deposit to the state bond fund*

*required by section 16A.65, subdivision 1, shall be made by the commissioner of finance, and no loan may be refused solely because the municipality does not provide the initial deposit.*

*(d) The authority may also pledge a segregated portion of the energy development fund to guarantee or insure bonds and notes, or the interest rate thereon, issued by the commissioner of finance on behalf of the state of Minnesota for purposes of section 116J.36 or 116J.37.*

Subd. 7. [MODERN STEAM SYSTEMS.] (a) A municipality which has operating within its boundaries a modern steam district heating system owned by a district heating utility may apply for a loan or grant under this section even though the district heating project for which the loan or grant application is made may be planned, constructed, or owned by a district heating utility. The loan or grant application shall be treated in the same manner as loan or grant applications for district heating projects where the projects are to be planned, constructed, or owned by a municipality.

All or a portion of the proceeds of a loan made to a municipality described in this subdivision may be used to make loans to a district heating utility to provide financial assistance for the planning, modification, expansion or construction of a district heating project. Prior to making the loan to the district heating utility, the municipality shall:

(1) Adopt a district heating plan which identifies the areas of the city to be served by district heating; a time schedule indicating when service would be available in different areas of the city and the type of service to be offered; and

(2) Enter into a written agreement with the district heating utility which includes a requirement that the district heating utility restrict expansion of its existing steam system within its current geographic boundaries as determined by the municipality and develop a hot water system on a specific time schedule.

(b) The powers, authority and obligations granted to a municipality under this subdivision are supplemental to the powers, authority and obligations granted all municipalities under this section.

(c) As used in this subdivision, "modern steam district heating system" means a steam district heating system with condensate return built after 1970 and before May 30, 1981. "District heating utility" means any person, corporation, or other legal entity which owns or operates or plans to own or operate a district heating system. "District heating project" means a new district heating system, or the expansion or modification of the existing modern steam district heating system.

Subd. 8. [LOAN APPROVAL.] The commissioner of energy (, PLANNING) and *economic* development shall prepare and submit to the (LEGISLATIVE ADVISORY COMMISSION A LIST OF) *energy and economic development authority separate lists of loan requests for district heating (LOAN REQUESTS) systems and qualified energy improvements.* The list for district heating loans shall contain the supporting information required by subdivisions 3, 4, 5, 6, and 7. *The list for qualified energy improvements shall contain the supporting information required by subdivisions 3a, 3c, 4a, 5, and 6.* The recommendation of the (LEGISLATIVE ADVISORY COMMISSION) authority shall be transmitted to the (GOVERNOR) commissioner of finance. The (GOVERNOR) commissioner of finance shall (APPROVE OR DISAPPROVE, OR RETURN FOR FURTHER CONSIDERATION, EACH PROJECT RECOMMENDED FOR APPROVAL BY THE LEGISLATIVE ADVISORY COMMISSION. LOANS MAY BE DISBURSED ONLY UPON APPROVAL BY THE GOVERNOR) *sell bonds and make loans for district heating projects and qualified energy improvements only upon the recommendation of the authority.*

Subd. 8a. [CRITERIA FOR QUALIFIED ENERGY IMPROVEMENTS.] *Qualified energy improvements eligible for loans shall meet criteria established in rule by the commissioner of energy and economic development. Rules relating to qualified energy improvements involving a waste-to-energy facility shall be adopted in consultation with the waste management board and the pollution control agency. An improvement involving a waste-to-energy facility must be part of a solid waste management plan approved by the pollution control agency or a plan approved pursuant to section 473.803.*

Subd. 9. [PAYMENT; OBLIGATION.] The commissioner of finance shall not pay money to a municipality pursuant to an approved loan until he has determined that:

(a) Financing of the project or improvement as proposed by the municipality is assured by an irrevocable undertaking, by resolution of the governing body of the municipality, to use all money made available by the financing plan exclusively for the eligible costs of the project or improvement, and to pay any additional amount by which the cost of the project or improvement exceeds the estimate by the appropriation to the construction account of additional (MUNICIPAL) money of the municipality or the proceeds of additional bonds to be issued by the municipality; and that

(b) The governing body of the municipality has adopted a resolution obligating the municipality to repay the loan according to the terms in the loan. The obligation may be payable from user charges, franchise fees, special assessments or other money available to the municipality. The resolution shall obligate the municipality to annually impose and collect user charges, fran-



chise fees, special assessments, or to use any other money available to it from any other specified source, in amounts and at times that if collected in full will annually produce at least five percent in excess of the amount needed for all annual costs of the system, including annual repayment on state loans. A municipality may also pledge to levy an ad valorem tax to guarantee the payments under the loan agreement. For the purpose of repaying the loan, the municipality by resolution of its governing body may fix the rates and charges for district heating system or qualified energy improvement service and products, may enter into contracts for the payment by others of costs of construction, maintenance, and use of the project or improvement in accordance with section 444.075 and may pledge the revenues derived therefrom. The commissioner of finance shall condition a loan upon the establishment of rates and charges or the execution of contracts sufficient to produce annually the revenues pledged for repayment of all annual costs of the system, including annual repayment of the state loan.

Subd. 10. [RECEIPTS.] All principal and interest payments received by the commissioner of finance in repayment of the loans authorized by this section shall be deposited in the state treasury and credited to the state bond fund and are appropriated to the commissioner of finance for the purposes of that account.

Subd. 11. [RULES.] The commissioner of energy (, PLANNING) and economic development shall adopt rules necessary to carry out the programs of this section. The commissioner of energy (, PLANNING) and economic development (SHALL) may adopt temporary rules pursuant to sections 14.29 to 14.36, meeting the requirements of this section. The rules shall contain as a minimum:

- (a) Procedures for application by municipalities; and
- (b) Criteria for reviewing grant and loan applications.

Sec. 8. [116J.381] [COMMUNITY ENERGY PROGRAM.]

*Subdivision 1. [FINDINGS.] The legislature finds that the cost of energy causes economic and social stress, and that the state has an interest in facilitating solutions to energy related stresses. The legislature also finds that community-based energy programs are an effective means of implementing improved energy practices including conservation, greater efficiency in energy use, and the use of alternative resources. Further, community based energy programs are found to be a public purpose for which public money may be spent.*

Sec. 9. [116J.382] [COMMUNITY ENERGY COUNCILS.]

*Subdivision 1. [CREATION.] Cities or counties, individually or through the exercise of joint powers agreements, may create community energy councils. Membership on a council shall include representatives of labor, small business, voluntary organizations, senior citizens, and low and moderate income residents, and may include city and county officials and others.*

*Subd. 2. [POWERS AND DUTIES.] In order to develop and implement community based energy programs, a community energy council may:*

*(1) analyze social and economic impacts caused by energy expenditures;*

*(2) plan, coordinate, advertise, and provide energy programs to minimize negative social and economic impacts;*

*(3) seek, accept, and disburse grants and other aids from public or private sources for purposes authorized in this subdivision; and*

*(4) exercise other powers and duties imposed on it by statute, charter, or by ordinance.*

**Sec. 10. [116J.383] [COMMUNITY BASED ENERGY PROGRAM.]**

*Subdivision 1. [DEPARTMENT ASSISTANCE.] The commissioner may provide professional and financial assistance to communities to establish community energy councils, and develop and implement community energy programs, within the resources available to it.*

**Sec. 11.** Minnesota Statutes 1982, section 325F.20, subdivision 1, is amended to read:

*Subdivision 1. The commissioner shall adopt rules pursuant to chapter 14 regarding quality, information, and product safety specifications for the manufacture, labeling, installation, and thermographing of insulation. The specifications and any amendments to them shall conform as far as is practical to federal standards or other standards generally accepted and in use throughout the United States. The standards, with modifications as may be deemed necessary, may be adopted by reference. The specifications adopted and any amendments shall be based on the application of scientific principles, approved tests, and professional judgment. For purposes of this subdivision, the commissioner, in consultation with the commissioner of energy and economic development, may adopt temporary rules which may remain in effect for 360 days.*

## Sec. 12. [APPROPRIATION.]

*Subdivision 1. \$250,000 in fiscal year 1985 is appropriated from the general fund to the commissioner of the department of energy and economic development for the purpose of establishing an energy engineering extension service. The complement of the department is increased by . . . positions.*

*Subd. 2. \$50,000 in fiscal year 1985 is appropriated from the general fund to the commissioner of energy and economic development for a manager of the engineering services. The manager shall have technical expertise and professional experience in the field of engineering. The department of employee relations shall assign the position to a classification that will use all but not more than \$50,000 for salary and benefits. The complement of the department is increased by one position.*

*Subd. 3. \$253,000 in fiscal year 1985 is appropriated to the commissioner of energy and economic development for the community energy council program. \$180,000 is for grants to communities. The complement of the department is increased by one position in the unclassified service.*

*Subd. 4. \$53,000 in fiscal year 1985 is appropriated from the general fund to the commissioner of the department of energy and economic development for the shared energy savings program. The complement of the department is increased by one position.*

*Subd. 5. \$5,000 in fiscal year 1985 is appropriated from the general fund to the commissioner of the department of energy and economic development for the adoption of temporary rules pursuant to section 7.*

*Subd. 6. \$55,000 in fiscal year 1985 is appropriated from the general fund to the commissioner of energy and economic development for purposes of adopting rules regarding quality and product safety specifications for the manufacture of insulation.*

*Subd. 7. \$50,000 in fiscal year 1985 is appropriated to the commissioner of energy and economic development for the study and adoption of standards for fiber fuels.*

*Subd. 8. \$279,000 in fiscal year 1985 is appropriated from the general fund to the commissioner of finance for district heating debt service pursuant to Minnesota Statutes, section 116J.36, subdivision 6, as amended by this act.*

*Subd. 9. \$ . . . . . for fiscal year 1985 is appropriated from the general fund to the commissioner of economic security for purposes of extending or expanding the low income residential weatherization program authorized by section 268.37."*

Delete the title and insert:

"A bill for an act relating to energy; providing for miscellaneous changes in the programs of the state related to energy; appropriating money; amending Minnesota Statutes 1982, sections 16.02, by adding a subdivision; 116J.19, subdivision 13; 116J.36, as amended; 325F.20, subdivision 1; Minnesota Statutes 1983 Supplement, sections 116J.09; 116J.18, subdivision 1; and 116J.31; proposing new law coded in Minnesota Statutes, chapter 116J."

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

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1781, A bill for an act relating to taxes; clarifying the consequences of certain conveyances of tax-forfeited land; amending Minnesota Statutes 1982, section 282.01, subdivision 1.

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

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1797, A bill for an act relating to transportation; public transit; creating a regional transit board and specifying its powers and duties; transferring certain powers and duties to the regional transit board from the commissioner of transportation and the metropolitan transit commission; specifying certain powers of the metropolitan council; reducing and reappropriating certain appropriations; amending Minnesota Statutes 1982, sections 174.22, subdivisions 5, 10, 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 221.295; 473.121, subdivisions 7, 10, 11, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, by adding subdivisions; 473.449; Minnesota Statutes 1983 Supplement, sections 15A.081, subdivision 7; 174.24, subdivision 3; 221.041, by adding a subdivision; 221.071, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 221; and 473; repealing Minnesota Statutes

1982, sections 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 473.121, subdivisions 9 and 16; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; 473.451; 474.265; 474.31.

Reported the same back with the following amendments:

Page 6, after line 35, insert:

"Sec. 11. Minnesota Statutes 1982, section 174.265, subdivision 3, is amended to read:

Subd. 3. [ELIGIBILITY.] The commissioner may provide assistance under the program to any statutory or home rule charter city or town, or group of such cities or towns, which: (a) is located within the metropolitan transit taxing district, as defined in section 473.446, subdivision 2; (b) is not served by the metropolitan transit commission or is served only with bus routes which end or begin within the city or town, or group of cities or towns; and (c) has fewer than four scheduled runs of bus service provided by the commission during off-peak hours. Eligible cities or towns may apply on behalf of any operator of public transit with whom they propose to contract for service. *A statutory or home rule charter city or town that was eligible for assistance under the program on January 1, 1984, may not thereafter be rendered ineligible by changes in service if the city or town was receiving assistance or had submitted an application or a letter of intent to apply for assistance under the program by January 1, 1984.*"

Page 7, line 1, after the period insert "*Section 11 is effective the day following final enactment.*"

Renumber the sections in sequence

Page 7, line 6, delete "221.096" and insert "221.296"

Page 8, line 1, after the period insert "*The operating authority granted to such a petitioner must be the operating authority for which the petitioner has contracted with the regional transit board. A carrier with a contract to provide service from the regional transit board may amend his certificate to provide for additional routes by filing a copy of the amendment with the board, and approval of the amendment by the board is not required if the additional service is provided under contract with the regional transit board.*"

Page 10, line 35, after "*distribution*" insert "*, coordination,*"

Page 14, after line 8, insert:

"Sec. 13. Minnesota Statutes 1982, section 473.181, subdivision 3, is amended to read:

Subd. 3. [METROPOLITAN TRANSIT COMMISSION.]  
The council shall review acquisition of public transit systems and the issuance of revenue bonds by the metropolitan transit commission pursuant to sections 473.405, subdivision (1) 5, and 473.438, subdivision 7.

Sec. 14. Minnesota Statutes 1982, section 473.223, is amended to read:

473.223 [FEDERAL AID.]

For the purposes of this section the term "governmental subdivision" includes municipalities, counties and other political subdivisions generally. If federal aid for transportation programs and projects is otherwise unavailable to an existing agency or governmental subdivision, the metropolitan council may cooperate with the government of the United States and any agency or department thereof and the affected agency or other governmental subdivision in establishing metropolitan area eligibility to receive federal aid, and may comply with the provisions of the laws of the United States and any rules and regulations made thereunder for the expenditure of federal moneys upon such projects as are proposed for federal assistance. If necessary to meet federal requirements, the council, the *regional transit board*, and the metropolitan transit commission may be considered a single eligible unit to carry out their respective responsibilities. The metropolitan council may accept federal aid and other aid, either public or private, for and in behalf of the metropolitan area or any governmental subdivision of the state, for transportation programs and projects within the metropolitan area upon such terms and conditions as are or may be prescribed by the laws of the United States and any rules or regulations made thereunder, and is authorized to act as agent of any governmental subdivision of the state with jurisdiction in the metropolitan area upon request of such subdivision in accepting the aid in its behalf for such programs or projects financed either in whole or in part by federal aid. The governing body of any such subdivision is authorized to designate the metropolitan council as its agent for such purposes and to enter into an agreement with the council prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations. The metropolitan council is authorized to designate an appropriate state agency as its agent for such purposes and to enter into an agreement with such agency prescribing the terms and conditions of the agency relationship in accordance with state and federal laws, rules and regulations.

Nothing contained herein shall limit any separate authority of agencies or governmental subdivisions of the state to contract for and receive federal aid."

Page 14, line 10, delete "12" and insert "14"

Renumber the sections in sequence

Page 14, line 20, delete the second "a"

Page 14, line 21, delete "board" and insert "programs and agencies"

Page 14, line 22, delete everything after "The"

Page 14, line 23, after "goals" insert "of sections 473.371 to 473.449 are as follows"

Page 14, line 25, after "for" insert "all people in"

Page 14, line 26, after "arrange" insert "to the greatest feasible extent"

Page 14, line 27, after "of" insert "all people in"

Page 14, line 30, after "efficient" insert "and coordinated"

Page 15, line 5, delete everything after the headnote

Page 15, delete lines 6 and 7

Page 15, line 8 delete "appointed" and insert "The council shall establish a transit board appointments committee, composed of members of the council. In addition to the notice required in section 15.0597, subdivision 4, the council shall notify in writing the governing body of the statutory and home rule charter cities, towns, and counties having territory in the district for which the member is to be appointed. The notification must describe the appointment process and invite participation and recommendations on the appointment. The appointments committee shall hold a public hearing in each district for which a member is to be appointed. Following the hearing, the appointments committee shall submit to the council a written report that lists the persons who have applied or been nominated or recommended for the position, along with a description of the background and qualifications of each"

Page 15, line 19, delete everything after the period

Page 15, delete line 20

Page 15, line 21, delete "devote full"

Page 15, delete line 22 and insert "be paid the per diem compensation provided for members under section 473.141, subdivision 7. The duties of the chair are:"

Page 15, delete line 25

Reletter clauses accordingly

Page 15, line 31, delete "*extended-term budget*" and insert "*financial plan*"

Page 15, after line 35, insert a subdivision to read:

*"Subd. 5. [EXECUTIVE DIRECTOR.] The chief administering officer of the board shall hold the position of executive director. The executive director shall be appointed as provided in section 473.141 and have the duties and authority prescribed for a chief administrator in section 473.141, except as provided in subdivision 6."*

Page 15, line 36, delete "5" and insert "6"

Page 15, line 36, after "*authority*" insert "*of a chief administrator*"

Page 16, line 4, delete "*delegate to*" and insert "*authorize*"

Page 16, line 5, after "*chair*" insert "*or executive director*"

Page 16, line 5, delete "*its authority to make*" and insert "*to recommend*"

Page 16, line 7, after "*chair*" insert "*or executive director*"

Page 16, after line 7, insert:

*"Subd. 6. [PENSION RIGHTS.] A person who is an employee of the metropolitan transit commission on the effective date of this section and who subsequently becomes an employee of the transit board has the option of continued coverage under Minnesota Statutes, chapter 353."*

Page 16, line 25, delete ", accept"

Page 17, line 13, before "*The*" insert "*Upon certification by the board that it has adopted an approved interim implementation plan and is ready to assume responsibilities for the program,*"

Page 17, line 13, delete "*all*" and insert "*the*"

Page 17, line 14, after "*responsibilities*" insert "*identified by the board that are*"

Page 17, line 15, after "*or*" insert "*the*"

Page 17, line 18, before the period insert "*, except for the statewide vanpool leasing program conducted by the commissioner*"



Page 17, line 23, after the period insert "*The board may contract for services in carrying out the program.*"

Page 18, line 32, after "*distribution*" insert "*and coordination*"

Page 19, line 9, delete "*detailed*"

Page 19, delete lines 28 to 36

Page 20, delete lines 1 to 19 and insert:

"*Subd. 2. [FINANCIAL PLAN; COUNCIL APPROVAL.] Along with its annual budget, each year the board shall prepare a financial plan for the succeeding three calendar years. The financial plan must be consistent with the board's implementation plan and must contain the elements specified in section 4, subdivision 2, clauses (a), (e), (f), and (g). The financial plan prepared in even-numbered years must contain a proposed request for state financial assistance for the succeeding biennium. The board shall submit the financial plan to the council for review and approval or disapproval. The council may approve or disapprove in whole or in part. The council may disapprove only for inconsistency with the policy plan of the council.*"

*Subd. 3. [EXCEPTION.] The capital budget and financial plan of the board prepared in 1984 need not be submitted to the council until December 1, 1984, and the council has 30 days for review."*

Page 20, line 25, before the period insert "*and the coordination of the planning and development of transit by local government units*"

Page 21, line 28, delete "*a transit*"

Page 21, delete line 29 and insert "*under clause (a) or (b) of subdivision 2, the applicant must*"

Page 21, line 33, delete "*proposed*"

Page 22, line 5, delete everything after "*study*"

Page 22, line 6, delete "*to serve*" and insert "*for any applicant*"

Page 23, line 22, before the period insert "*, or cause the dismissal of current commission employees*"

Page 23, line 36, delete "*, subdivision 3*"

Page 24, line 32, delete "*a*"

Page 24, delete lines 33 and 34

Page 24, line 35, delete everything before the period and insert "*representatives of users of the service, and representatives of appropriate agencies*"

Page 27, after line 20, insert:

*"A statutory or home rule charter city or town that met the criteria of clauses (a) to (c) as of January 1, 1984, may not thereafter be rendered ineligible for assistance under the program by changes in service if the city or town was receiving assistance or had submitted an application or a letter of intent to apply for assistance under the program by January 1, 1984."*

Page 30, line 15, delete "*shall*" and insert "*must*"

Page 30, line 19, delete the first "*of*" and insert "*from taxes,*"

Page 30, line 20, after the comma insert "*or other revenues of the board,*"

Page 30, after line 26, insert:

"Sec. 11. [473.394] [BOARD EXEMPT FROM TAXATION.]

*The properties, moneys, and other assets of the transit board, all revenues or other income of the board, and all bonds, certificates of indebtedness, or other obligations issued by the board, and the interest thereon, are exempt from all taxation, licenses, fees, or charges of any kind imposed by the state or by any county, municipality, political subdivision, taxing district, or other public agency or body of the state."*

Page 31, line 25, delete " ; QUALIFICATION "

Page 31, line 34, delete "30" and insert "60"

Page 31, line 36, after the period insert "*As soon as practicable but not later than 15 days following the occurrence of a vacancy, the commission shall publish notice of the existence of the vacancy in newspapers of general circulation in the area and notify in writing the elected chief executives of the cities and towns eligible to nominate persons to fill the vacancy.*"

Subd. 6. [QUALIFICATION.]"

Page 32, line 11, delete "6" and insert "7"

Page 32, line 17, delete "7" and insert "8"

Page 32, line 19, delete "8" and insert "9"

Page 45, after line 24, insert:

"Sec. 17. Minnesota Statutes 1983 Supplement, section 473.436, subdivision 6, is amended to read:

Subd. 6. [TEMPORARY BORROWING.] On or after the first day of any fiscal year, the commission may borrow money which may be used or expended by the commission for any purpose, including but not limited to current expenses, capital expenditures and the discharge of any obligation or indebtedness of the commission. The indebtedness (SHALL) *must* be represented by a note or notes which may be issued from time to time in any denomination and sold at public or private sale pursuant to a resolution authorizing the issuance (THEREOF, WHICH). *The* resolution (SHALL) *must* set forth the form and manner of execution of the notes and shall contain other terms and conditions the commission deems necessary or desirable to provide security for the holders of the notes. The note or notes (SHALL BE) *are* payable from committed or appropriated money (OF) *from taxes, grants or loans of the state or federal government made to the commission, or other revenues of the commission, and the money may be pledged to the payment of the notes. To the extent the notes are not paid from the grant or loan money pledged for the payment thereof, the principal and interest of the notes (SHALL) must be paid (WITH THE INTEREST THEREON) from any taxes, income and revenue received or accrued during the fiscal year in which the note or notes were issued, or other money of the commission lawfully available therefor.*"

Page 45, line 29, delete "*extended-term budget*" and insert "*financial plan*"

Page 46, after line 24, insert:

"Sec. 20. Minnesota Statutes 1982, section 473.446, subdivision 2a, is amended to read:

Subd. 2a. [PROTECTION OF RIGHTS OF HOLDERS OF OUTSTANDING INDEBTEDNESS.] The provisions of subdivisions 1 and 2 or any other law changing the boundaries of the metropolitan transit taxing district or reducing the levy otherwise required to be levied within the district shall not be deemed to impair the rights of holders of outstanding indebtedness of the commission to require the (LEVY) *certification to the transit board of property taxes, if necessary to provide for any deficiency in accordance with the conditions of such indebtedness, on all property within the limits of the metropolitan transit taxing district as such limits were in effect at the date of issuance of such indebtedness.*"

Page 47, line 31, delete "21" and insert "24"

Renumber the sections in sequence

Page 47, delete line 35

Page 47, before line 36, insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 10A.01, subdivision 18, is amended to read:

Subd. 18. "Public official" means any:

- (a) member of the legislature;
- (b) constitutional officer in the executive branch and his chief administrative deputy;
- (c) member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;
- (d) commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;
- (e) individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;
- (f) executive director of the state board of investment;
- (g) executive director of the Indian affairs intertribal board;
- (h) commissioner of the iron range resources and rehabilitation board;
- (i) director of mediation services;
- (j) deputy of any official listed in clauses (e) to (i);
- (k) judge of the workers' compensation court of appeals;
- (l) hearing examiner or compensation judge in the state office of administrative hearings or hearing examiner in the department of economic security;
- (m) solicitor general or deputy, assistant or special assistant attorney general;

(n) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of senate research, senate counsel, or house research; or

(o) member or chief administrative officer of the metropolitan council, *regional transit board*, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission; or

(p) executive director of the Minnesota educational computing consortium.

Sec. 2. Minnesota Statutes 1982, section 15.0597, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms shall have the meanings given them.

(a) "Agency" means (1) a state board, commission, council, committee, authority, task force or other similar multi-member agency created by statute and having statewide jurisdiction; and (2) the metropolitan council, (METROPOLITAN TRANSIT COMMISSION) *regional transit board*, metropolitan airports commission, metropolitan parks and open space commission, metropolitan sports facilities commission, metropolitan waste control commission, capitol area architectural and planning board, and any agency with a regional jurisdiction created in this state pursuant to an interstate compact.

(b) "Vacancy" or "vacant agency position" means (1) a vacancy in an existing agency, or (2) a new, unfilled agency position; provided that "agency" shall not mean (1) a vacant position on an agency composed exclusively of persons employed by a political subdivision or another agency, or (2) a vacancy to be filled by a person required to have a specific title or position.

(c) "Secretary" means the secretary of state."

Page 48, delete lines 13 and 14

Page 48, after line 21, insert:

"Sec. 4. Minnesota Statutes 1982, section 161.173, is amended to read:

161.173 [SUBMISSION OF CORRIDOR PROPOSAL.]

The commissioner shall submit to the governing body of each municipality wherein a trunk highway is proposed to be con-

structed or improved, and to the governing body of each municipality adjacent to any such municipality, a report containing: a statement of the need for this proposed construction or improvement, a description of alternate routes which were considered by the commissioner and an explanation of the advantages and disadvantages in the selection of any route considered. The report shall also contain for each alternate, the following information: general alignment and profile, approximate points of access, highway classification, an approximate cost estimate, relation to existing and planned regional and local development and to other transportation routes and facilities, and a statement of the expected general effect on present and future use of the property within the corridor. Where a state trunk highway is proposed to be constructed or improved within the metropolitan area, a copy of the report shall also be submitted to the metropolitan council and the (METROPOLITAN TRANSIT COMMISSION) *regional transit board* established by chapter 473. In all areas of the state a copy of the report shall be sent to established regional, county and municipal planning commissions in the area affected by the highway project. Not less than 45 nor more than 90 days, or as otherwise mutually agreed, after the report has been submitted, the commissioner shall hold a public hearing on the proposed highway construction or improvement at such time and place within any municipality wherein a portion of the proposed construction or improvement is located, as the commissioner shall determine. Not less than 30 days before the hearing the commissioner shall mail notice thereof to the governing body of each municipality or agency entitled to receive a copy of the report, and shall cause notice of the hearing to be published at least once each week for two successive weeks in a newspaper or newspapers having general circulation in such municipalities, the second publication to be not less than five days before the date of the hearing. The notice shall state the date, time, place and purpose of the hearing, shall describe the proposed or actual general location of the highway to be constructed or improved, and shall state where the report may be inspected prior to the hearing by any interested person. The hearing shall be conducted by the commissioner or his designee, and shall be transcribed and a record thereof mailed to each municipality or agency entitled to receive a copy of the report. All interested persons shall be permitted to present their views on the proposed highway construction or improvement. The hearing may be continued as often as necessary. Within 120 days after the hearing is completed, the governing body of each municipality or agency entitled to receive a copy of the report shall submit to the commissioner its approval or disapproval of the report. If all or any part of the report is disapproved, the municipality or agency shall state the reasons for such disapproval and suggested changes in the report. The commissioner shall, before preparing additional plans for the proposed highway construction or improvement, submit to the governing body of each municipality or agency disapproving the report, a statement accepting or rejecting any suggested changes and the reasons for his acceptance or rejection.

Sec. 5. Minnesota Statutes 1982, section 161.174, is amended to read:

161.174 [SUBMISSION OF LAYOUT PLANS.]

The commissioner shall submit to the governing body of each municipality wherein a highway is proposed to be constructed or improved, a proposed layout plan for the highway construction or improvement containing: the proposed location, elevation, width and geometrics of the construction or improvement, together with a statement of the reasons therefor. Said plan shall also contain: approximate right-of-way limits; a tentative schedule for right-of-way acquisition, if known; proposed access points; frontage roads; separation structures and interchanges; location of utilities, when known; landscaping, illumination, a tentative construction schedule, if known; and the estimated cost of the construction or improvement. The commissioner shall submit more than one layout plan. Each such plan shall also be submitted to the metropolitan council and the (METROPOLITAN TRANSIT COMMISSION) *regional transit board* if any portion of the proposed highway construction or improvement is located in the metropolitan area. In all areas of the state a copy of the layout plan shall be sent to established regional, county and municipal planning commissions in the area affected by the highway project. Not less than 90 nor more than 120 days after said plan has been submitted, the commissioner shall hold a public hearing on the proposed highway construction or improvement at such time and place within any municipality wherein a portion of the construction or improvement is located, as the commissioner shall determine. The hearing shall be noticed, held and conducted in the manner provided in section 161.173, except that the commissioner shall mail notice of the hearing only to those municipalities and agencies entitled to receive a copy of the layout plan. The hearing shall be transcribed and a record thereof made available to each municipality or agency entitled to receive a copy of said plan. Within 180 days after the hearing is completed, the commissioner shall formally adopt a layout plan. A copy of the layout plan as adopted shall be submitted to each municipality or agency entitled to receive a copy of the proposed plan, together with the reasons for any change in the plan as presented at the hearing. Within 120 days after the receipt of the adopted layout plan, each such municipality or agency shall submit to the commissioner its approval or disapproval of the layout plan and the reasons for such disapproval, and proposed alternatives, which may include a recommendation of no highway. Such alternatives submitted by a municipality located within the metropolitan area shall, upon request of the municipality, be reviewed by the metropolitan council in order to determine whether such alternatives are likely to meet minimum federal requirements. The metropolitan council is authorized to provide whatever assistance it deems advisable to the submitting municipality in order to assist it in arriving at an alternative which meets minimum federal requirements. If said plan or any part thereof is not disapproved within such

period, the commissioner may proceed to prepare final construction plans and specifications for the highway construction or improvement consistent with the adopted layout plan, and may acquire the necessary right-of-way. If the layout plan or any part thereof is disapproved by any municipality or agency, and the commissioner determines to proceed with the plan without modifications, he shall proceed in the manner provided in section 161.175. If the commissioner determines to proceed with the plan with modifications, he shall submit the modified layout plan to the municipalities and agencies entitled to receive the original layout plan in the manner described above, for approval or disapproval by each such municipality or agency within 60 days after receipt of the modified layout plan. If the modified layout plan or any part thereof is not disapproved by any municipality or agency within 60 days after its receipt, the commissioner may proceed to prepare final construction plans and specifications consistent with the modified layout plan, and may acquire the necessary right-of-way. If the modified plan is disapproved by any municipality and the commissioner determines to proceed with the plan without additional modification, he shall proceed in the manner provided in section 161.175. If the layout plan is disapproved, either as originally submitted or as modified and the commissioner does not act pursuant to section 161.175, within one year from the date of the completion of the hearing, any objecting municipality entitled to receive a copy of the layout plan by virtue of this section may invoke the appellate procedure pursuant to section 161.175, in the same manner as the same might be invoked by the commissioner. In the event the appellate procedure is invoked by either the commissioner or the municipality, the commissioner shall hold a public hearing prior to the appointment of an appeal board. Such hearing shall be limited to the proposed alternative layout plans.

Sec. 6. Minnesota Statutes 1982, section 352.01, subdivision 2A, is amended to read:

Subd. 2A. [INCLUDED EMPLOYEES.] The following persons are included in the meaning of state employee:

- (1) Employees of the Minnesota Historical Society.
- (2) Employees of the State Horticultural Society.
- (3) Employees of the Disabled American Veterans, Department of Minnesota, Veterans of Foreign Wars, Department of Minnesota, if employed prior to July 1, 1963.
- (4) Employees of the Minnesota Crop Improvement Association.
- (5) Employees of the adjutant general who are paid from federal funds and who are not covered by any federal civilian employees retirement system.



(6) Employees of the state universities employed under the university activities program.

(7) Currently contributing employees covered by the system who are temporarily employed by the legislature during a legislative session or any currently contributing employee employed for any special service as defined in clause (8) of subdivision 2B.

(8) Employees of the armory building commission.

(9) Permanent employees of the legislature and persons employed or designated by the legislature or by a legislative committee or commission or other competent authority to make or conduct a special inquiry, investigation, examination or installation including permanent employees of the legislative research committee.

(10) Trainees who are employed on a full time established training program performing the duties of the classified position for which they will be eligible to receive immediate appointment at the completion of the training period.

(11) Employees of the Minnesota Safety Council.

(12) Employees of the transit operating division of the metropolitan transit commission and any employees on authorized leave of absence from the transit operating division who are employed by the labor organization which is the exclusive bargaining agent representing employees of the transit operating division.

(13) Employees of the metropolitan council, metropolitan parks and open space commission, *regional transit board*, metropolitan transit commission, metropolitan waste control commission, metropolitan sports facilities commission or the metropolitan mosquito control commission unless excluded or covered by another public pension fund or plan pursuant to sections 473.141, subdivision 12, or 473.415, subdivision 3.

(14) Judges of the tax court."

Page 49, line 12, delete "*September*" and insert "*December*"

Page 49, line 31, delete "*extended-term budget*" and insert "*financial plan*"

Page 49, line 34, delete "*subdivisions 9 and 16*" and insert "*subdivision 9*"

Page 50, line 4, delete "5" and insert "8"

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 10, after "sections" insert "15.0597, subdivision 1; 161.173; 161.174;"

Page 1, line 12, after the first semicolon insert "174.265, subdivision 3;"

Page 1, line 12, after the second semicolon insert "352.01, subdivision 2a;"

Page 1, after line 15, insert "473.181, subdivision 3; 473.-223;"

Page 1, line 17, after "473.446," insert "subdivision 2a, and"

Page 1, line 19, after "sections" insert "10A.01, subdivision 18;"

Page 1, line 21, after the semicolon insert "473.436, subdivision 6;"

Page 1, line 24, after the second semicolon insert "174.265; 174.31;"

Page 1, line 25, delete "subdivisions 9 and 16" and insert "subdivision 9"

Page 1, line 26, delete the third semicolon

Page 1, line 27, delete everything before the period

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

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1824, A bill for an act relating to transportation; allowing vending machines in rest areas, tourist information centers, and weigh stations; providing for installation of drain tile along or across highways; delineating debt collection au-

thority of the department of transportation; authorizing road authorities to assist each other; reducing a fee; authorizing the commissioner to spend money to acquire or condemn certain outdoor advertising devices; amending Minnesota Statutes 1982, sections 160.08, subdivision 7; 160.20, subdivision 3, and by adding a subdivision; 160.28; 161.20, subdivision 4; 161.39, subdivisions 1, 5, and 6; and 173.13, subdivision 7; and Laws 1983, chapter 293, section 2, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 160.08, subdivision 7, is amended to read:

Subd. 7. [NO COMMERCIAL ESTABLISHMENT WITHIN RIGHT-OF-WAY.] No commercial establishment, including but not limited to automotive service stations, for serving motor vehicle users shall be constructed or located within the right-of-way of, or on publicly-owned or publicly-leased land acquired or used for or in connection with, a controlled access highway (,); except that (1) structures may be built within safety rest and tourist information center areas (AND), (2) space within state owned buildings in those areas may be leased for the purpose of providing information to travelers through commercial and public service advertising (PURSUANT TO) *under franchise agreements as provided in sections 160.276 to 160.278, and (3) advertising signs may be erected within the right-of-way of interstate or controlled-access trunk highways by franchise agreements under section 11.*

Sec. 2. Minnesota Statutes 1982, section 160.20, subdivision 3, is amended to read:

Subd. 3. [INSTALLATION OF DRAIN TILE ALONG OR ACROSS HIGHWAY RIGHT-OF-WAY.] ((A)) When the course of natural drainage of any land runs to a highway, the owner of the land who has been granted a permit as provided in (THIS) subdivision 4 may install drain tile along or across the highway right-of-way along the general course of the natural drainageway, provided further that there will be no diversion of drainage waters away from the natural receiving drainageway immediately downstream from the highway. Any installation shall be made in accordance with specifications set forth in the permit and any rules that apply to the installations. When any installation is made pursuant to this subdivision the highway shall be left in as good condition in every respect as it was before the installation was made.

((B) ANY ROAD AUTHORITY MAY ACCEPT APPLICATIONS FOR PERMITS FOR INSTALLATION OF DRAIN TILE ALONG OR ACROSS THE RIGHT-OF-WAY OF

A HIGHWAY UNDER ITS JURISDICTION. THE ROAD AUTHORITY MAY ADOPT REASONABLE RULES FOR THE INSTALLATIONS AND MAY REQUIRE A BOND BEFORE GRANTING ANY PERMIT. PERMITS FOR INSTALLATION ALONG A HIGHWAY RIGHT-OF-WAY SHALL INSURE THAT THE LENGTH OF THE INSTALLATION IS RESTRICTED TO THE MINIMUM NECESSARY TO ACHIEVE THE DESIRED AGRICULTURAL BENEFITS. NO PERMIT SHALL ALLOW ANY OPEN TRENCHES TO BE LEFT ON THE RIGHT-OF-WAY AFTER INSTALLATION OF DRAIN TILE IS COMPLETED. A ROAD AUTHORITY THAT GRANTS A PERMIT FOR DRAIN TILE INSTALLATION SHALL NOT BE RESPONSIBLE FOR ANY DAMAGE TO THAT INSTALLATION RESULTING FROM THE ACTION OF THE AUTHORITY OR ANY OTHER PERMITTEE UTILIZING THE RIGHT-OF-WAY.)

((C) ANY PERSON WHO INSTALLS DRAIN TILE ALONG OR ACROSS A HIGHWAY RIGHT-OF-WAY WITHOUT OBTAINING A PERMIT AS PROVIDED IN THIS SUBDIVISION IS GUILTY OF A MISDEMEANOR.)

((D) THE COMMISSIONER SHALL TAKE NO ACTION PURSUANT TO THIS SUBDIVISION WHICH WILL RESULT IN THE LOSS OF ANY FEDERAL AID FOR HIGHWAY CONSTRUCTION IN THIS STATE.)

((E) FOR THE PURPOSE OF THIS SUBDIVISION "HIGHWAY" MEANS ANY HIGHWAY AS DEFINED IN THIS CHAPTER WHICH IS LOCATED OUTSIDE THE CORPORATE LIMITS OF ANY HOME RULE CHARTER OR STATUTORY CITY.)

Sec. 3. Minnesota Statutes 1982, section 160.20, is amended by adding a subdivision to read:

*Subd. 4. [CONDITIONS.] (a) A road authority may accept applications for permits for installation of drain tile along or across the right-of-way under its jurisdiction. The road authority may adopt reasonable rules for the installations and may require a bond before granting a permit. Permits for installation along a highway right-of-way must ensure that the length of the installation is restricted to the minimum necessary to achieve the desired agricultural benefits. A permit must not allow open trenches to be left on the right-of-way after installation of the drain tile is completed. A road authority that grants a permit for tile drain installation is not responsible for damage to that installation resulting from the action of the authority or any other permittee utilizing the right-of-way.*

*(b) A person who installs drain tile along or across a highway right-of-way without obtaining a permit as provided in this section is guilty of a misdemeanor.*

(c) *The commissioner shall take no action under this section which will result in the loss of federal aid for highway construction in the state.*

(d) *For the purpose of this section, "highway" means any highway as defined in section 160.02 which is located outside the corporate limits of a home rule charter or statutory city.*

Sec. 4. Minnesota Statutes 1982, 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, restaurant, or motel as defined in section 157.01 or recreational camping area as defined in section 327.14, subdivision 8.

Sec. 5. Minnesota Statutes 1982, section 160.285, is amended to read:

#### 160.285 [COUNTY PARTICIPATION.]

Subdivision 1. Any county of this state is authorized to expend county road and bridge funds for the purchase of (SUCH) signs *under section 160.283* (FROM THE DEPARTMENT OF TRANSPORTATION), and for the erection of such signs along or adjacent to highways under their jurisdiction or along and adjacent to town roads within the county (. A CERTIFIED COPY OF THE RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS AUTHORIZING THE PURCHASE OF A SPECIFIED NUMBER OF SUCH SIGNS SHALL BE FORWARDED TO THE DEPARTMENT OF TRANSPORTATION.), *provided that* the cost of (SUCH) the signs to the counties (SHALL) *must* be 100 percent (OF THE ACTUAL COST TO THE DEPARTMENT OF TRANSPORTATION FOR THE PURCHASE OF THE SIGNS. THE COUNTIES MAY SELL THE SIGNS TO ANY PERSON, PROVIDED THAT THE SALE PRICE SHALL BE 75 PERCENT OF THE COST OF SUCH SIGNS TO THE COUNTY) *reimbursed by the requestor.*

Subd. 2. (ANY COUNTY PARTICIPATING SHALL) *Counties may* erect (SUCH) and maintain these signs at (ITS OWN) the expense (AS IT DEEMS NECESSARY) of the requestor on those county state-aid highways, county highways and town roads designated in section 160.283, subdivision 2 provided that (SUCH) these signs shall (BE ERECTED IN A MANNER ACCEPTABLE TO THE DEPARTMENT OF TRANSPORTATION AND SHALL) not be erected closer than 500 feet from trunk highways forming a part of the interstate system as provided in section 173.16, subdivision 4, clause (4), or closer than 300 feet from other trunk highways as provided in section 173.16, subdivision 4, clause (5).

Subd. 3. All money received from the purchase of signs from any county (SHALL) *must* be deposited in the state treasury and credited to (A SPECIAL ACCOUNT TO BE KNOWN AS THE LOCAL SIGN ACCOUNT. ALL MONEY IN SUCH ACCOUNT IS APPROPRIATED TO THE DEPARTMENT OF TRANSPORTATION FOR USE IN CARRYING OUT THE PROVISIONS OF SECTIONS 160.283 TO 160.285) *the trunk highway fund.*

Sec. 6. Minnesota Statutes 1982, section 160.292, is amended to read:

160.292 [INFORMATION SIGNS FOR RESORTS AND RECREATIONAL CAMPING AREAS; DEFINITIONS.]

Subdivision 1. For the purposes of sections 160.292 to 160.296 the terms defined in this section have the meanings given them.

Subd. 2. "Specific service sign" means a rectangular sign panel not greater than 1-1/2 feet by six feet displaying a motel, *restaurant*, resort or recreational camping area business name and, where appropriate, the direction to and distance to the camping area, motel, *restaurant*, or resort.

Subd. 3. "Specific service sign assembly" means a combination of specific service sign panels not to exceed four panels to be placed within the right of way on appropriate approaches to an intersection.

Subd. 4. "Specific service sign cluster" means a grouping of specific service sign assemblies (NOT EXCEEDING TWO IN NUMBER) on appropriate approaches to an intersection.

Subd. 5. "Nonfreeway type highway" means all roadways with crossing traffic at grade intersections except the roadway may have an isolated interchange.

Subd. 6. "Resort" has the meaning given it in section 157.01.

Subd. 7. "Motel" has the meaning given to the word "hotel" in section 157.01.

Subd. 7a. "*Restaurant*" has the meaning given it in section 157.01.

Subd. 8. "Recreational camping area" has the meaning given it in section 327.14, subdivision 8.

Subd. 9. "Local road" means any nontrunk highway.

Subd. 10. "Specific service" means *restaurants*, motels, resorts or recreational camping areas that provide sleeping accommodations for the recreational traveler.

Sec. 7. Minnesota Statutes 1982, section 160.293, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] Specific service signs are to be used to create and implement a system of signing for the purpose of displaying motel, *restaurant*, resort and recreational camping area information to the traveling public on nonfreeway type trunk highways in rural areas.

Sec. 8. Minnesota Statutes 1982, section 160.293, subdivision 3, is amended to read:

Subd. 3. [NUMBER OF TRUNK HIGHWAY INTERSECTIONS.] A specific service sign for a *restaurant*, motel, resort or recreational camping area is limited to one intersection on the trunk highway system.

Sec. 9. Minnesota Statutes 1982, section 160.295, subdivision 2, is amended to read:

Subd. 2. [DISTANCE TO SPECIFIC SERVICE.] A specific service sign may be placed on a nonfreeway type road if the specific service is located within (TEN) 15 miles of the qualifying site.

Sec. 10. Minnesota Statutes 1982, section 160.295, subdivision 3, is amended to read:

Subd. 3. [MOTEL, RESTAURANT, AND RESORT WARRANT.] Motels, *restaurants*, and resorts served by the specific service signing shall be licensed by the state department of health as required by section 157.03.

Sec. 11. [160.80] [SIGN FRANCHISE PROGRAM.]

*Subdivision 1. [COMMISSIONER MAY ESTABLISH PROGRAM.] The commissioner of transportation may establish a sign franchise program for the purpose of providing on the right-of-way of interstate and controlled-access trunk highways specific information on gas, food, camping, and lodging, for the benefit of the motoring public.*

*Subd. 2. [FRANCHISES.] The commissioner may, by public negotiation or bid, grant one or more franchises to qualified persons to erect and maintain, on the right-of-way of interstate and controlled-access trunk highways, signs informing the motoring public of gas, food, lodging, and camping facilities.*

*A franchisee shall furnish, install, maintain, and replace signs for the benefit of advertisers who provide gas, food, lodging, and camping facilities for the general public, and lease advertising space on the signs to operators of these facilities.*

*Subd. 3. [COSTS.] All costs incurred under the program established by this section must be paid under agreements negotiated between a franchisee and an advertiser or advertisers, unless otherwise provided in the contract between the commissioner and the franchisee.*

*Subd. 4. [CONTRACT REQUIREMENTS.] All contracts made by the commissioner with a franchisee must provide for:*

*(1) a requirement that the franchisee obtain liability insurance in an amount the commissioner determines, jointly insuring the state and the franchisee against all liability for claims for damages occurring wholly or in part because of the franchise; and*

*(2) reasonable standards for the size, design, erection, and maintenance of service information signs and the advertising logos thereon.*

*The commissioner may require additional terms and conditions, including but not limited to provisions on the renewal and termination of the agreement, and in the event of termination the rights of the state and franchisee relative to the franchisee's advertising contracts.*

*Subd. 5. [RESTRICTIONS.] The commissioner shall take no action under this section which will result in the loss to the state of any federal highway construction funds.*

*Subd. 6. [ADVISORY COMMITTEE.] The commissioner shall appoint a committee of at least one representative of each of the four industries eligible for signing under this section and at least three representatives of the department of transportation, for the purpose of advising him on the sign franchise program.*

*Sec. 12. Minnesota Statutes 1982, section 161.20, subdivision 4, is amended to read:*

*Subd. 4. [DEBT COLLECTION.] The commissioner shall make reasonable and businesslike efforts to collect money owed (TO THE DEPARTMENT) for licenses, fines, penalties, and permit fees or arising from damages to state-owned property (AND) or other causes related to (TRUNK HIGHWAYS) the activities of the department of transportation. 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. *The commissioner may enter into an agreement with the commissioner of public safety for the purpose of using debt collection services authorized by this subdivision when civil penalties relating to the use of highways have been reduced to money judgment. Money received as full or partial payment shall be deposited (IN) to the (TRUNK HIGHWAY) appropriate 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 to which money so collected is deposited.*

Sec. 13. Minnesota Statutes 1982, section 161.39, subdivision 1, is amended to read:

Subdivision 1. [TECHNICAL AND ENGINEERING ASSISTANCE, SURVEYS (AND), PLANS, AND MAINTENANCE.] Upon the request of (ANY) *another road authority, any road authority including the commissioner and the road authority of any city, (THE COMMISSIONER) township, or county* may provide technical and engineering advice, assistance and supervision to the *requesting* road authority; and may make surveys and prepare plans for the location, construction, and reconstruction of *and perform maintenance on any highway, street, road, or bridge* under the jurisdiction of the requesting road authority.

Sec. 14. Minnesota Statutes 1982, section 161.39, subdivision 5, is amended to read:

Subd. 5. [PAYMENT FOR SERVICES.] The cost of the work or services performed under the provisions of this section shall be paid by the road authority, department or agency for which the work or services were performed. All money received or *expended* therefore shall be credited or *debited* to the trunk highway fund.

Sec. 15. Minnesota Statutes 1982, section 161.39, subdivision 6, is amended to read:

Subd. 6. [AGREEMENTS REGARDING SERVICES.] The road authorities, including road authorities of cities, *townships, counties, state departments, or agencies* may enter into agreements with the commissioner setting forth the work or services to be performed by the commissioner *or the road authority* under the provisions of this section and providing for the method of reimbursement to *or from* the trunk highway fund of the cost thereof.

Sec. 16. Minnesota Statutes 1982, section 173.02, subdivision 6, is amended to read:

Subd. 6. Directional and other official signs and notices shall mean:

(a) "Official signs and notices" mean signs and notices erected and maintained by public officers or public agencies within their territorial jurisdiction and pursuant to and in accordance with direction or authorization contained in federal or state law for the purposes of carrying out an official duty or responsibility. Historical markers authorized by state law and erected by state or local governmental agencies or nonprofit historical societies may be considered official signs.

(b) "Public utility signs" mean warning signs, notices, or markers which are customarily erected and maintained by publicly or privately owned public utilities, as essential to their operations.

(c) "Service club and religious notices" mean signs and notices, not exceeding eight square feet in advertising area, whose erection is authorized by law, relating to meetings and location of nonprofit service clubs or charitable associations, or religious services.

(d) "Directional signs" means (PUBLICLY OWNED) signs containing directional information about public places owned or operated by federal, state, or local governments or their agencies, publicly or privately owned natural phenomena, historic, cultural, (EDUCATION) *scientific, educational,* and religious sites, and areas of natural scenic beauty or naturally suited for outdoor recreation, deemed to be in the interest of the traveling public. *To qualify for directional signs, privately owned attractions must be nationally or regionally known, and of outstanding interest to the traveling public.*

(e) All definitions in this subdivision are intended to be in conformity with the national standards for directional and other official signs.

Sec. 17. [173.081] [DIRECTIONAL SIGNS.]

*The commissioner of transportation shall develop uniform standards for directional signs erected under this chapter. The standards must provide for the size, lighting, spacing, design, colors, and maintenance of the signs. The standards must provide that:*

(1) *no pictorial or photographic representations be placed on the signs;*

(2) *directional signs facing the same direction of travel may not be placed less than one mile apart;*

(3) signs located adjacent to an interstate highway must be within 75 miles of the described activity, and those located adjacent to other trunk highways must be within 50 miles of the described activity; and

(4) not more than one directional sign for the same activity and facing the same direction of travel may be erected along a single marked highway approaching the activity.

The standards may provide eligibility criteria, including visitor capacity, parking capacity, days and hours of operation, and annual and daily average attendance, for attractions qualifying for directional signs.

The commissioner shall take no action under this section which would result in the loss to the state of federal highway construction funds.

Sec. 18. Minnesota Statutes 1983 Supplement, section 173.13, subdivision 4, is amended to read:

Subd. 4. The annual fee for each such permit or renewal thereof shall be as follows:

(1) If the advertising area of the advertising device does not exceed 50 square feet, the fee shall be \$20.

(2) If the advertising area exceeds 50 square feet but does not exceed 300 square feet, the fee shall be \$40.

(3) If the advertising area exceeds 300 square feet, the fee shall be \$80.

(4) No fee shall be charged for a permit for (DIRECTIONAL AND OTHER) official signs and notices as they are defined in section 173.02.

Sec. 19. Minnesota Statutes 1982, section 173.13, subdivision 7, is amended to read:

Subd. 7. A penalty (OF TWO TIMES) equal to one-half the annual fee shall be charged upon failure to pay the annual permit fee for renewal on or before August 1 of each year.

Sec. 20. Laws 1983, chapter 293, section 2, subdivision 4, is amended to read:

Subd. 4. Technical Services . . . . . 28,573,600 28,158,500

The amounts that may be expended from this appropriation for each activity are as follows:

## Engineering Services

\$18,024,800      \$17,629,100

This appropriation includes \$1,400,000 each year for the purpose of delivery of an expanded highway development program. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

## Engineering Development

\$ 6,890,400      \$ 6,872,600

\$75,000 the first year and \$75,000 the second year is for a transportation research contingent account to finance research projects that are reimbursable from the federal government or from other sources. Expenditures from this account are subject to the approval of the commissioner of finance. Reimbursements shall be deposited in the trunk highway fund. If the appropriation for either year is insufficient, the appropriation for the other year is available for it.

## State Aid Technical Assistance

\$ 656,000      \$ 656,000

The variance committee shall be continued during the biennium ending June 30, 1985.

## Electronic Communications

\$ 1,796,400      \$ 1,794,900

## Environmental Services

\$ 1,206,000      \$ 1,205,900

(FOR THE FISCAL BIENNIUM ENDING JUNE 30, 1985, THE COMMISSIONER SHALL SPEND NO MONEY TO ACQUIRE OR CONDEMN OUTDOOR ADVERTISING DEVICES AS DEFINED IN MINNESOTA STATUTES, CHAPTER 173.)

## Sec. 21. [INSTRUCTIONS TO REVISOR.]

*The revisor of statutes shall, in the next and subsequent editions of Minnesota Statutes, delete the headnote "INTERSTATE HIGHWAYS" from the beginning of chapter 173.*

## Sec. 22. [EFFECTIVE DATE.]

*Sections 1 to 21 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to transportation; providing for installation of drain tile along or across highways; delineating debt collection authority of the department of transportation; providing for the erection of certain signs by counties; permitting restaurants to be included on specific service signs; providing for the clustering and spacing of specific service signs; directing the commissioner of transportation to establish a sign franchise program for the placement of advertising logos on the right-of-way of certain highways; authorizing road authorities to assist each other; redefining "directional signs" for purposes of outdoor advertising control and directing the commissioner of transportation to develop uniform standards for them; reducing a fee; repealing a restriction on the authority of the commissioner of transportation to expend money to acquire or condemn advertising devices; amending Minnesota Statutes 1982, sections 160.08, subdivision 7; 160.20, subdivision 3, and by adding a subdivision; 160.283, subdivision 3; 160.285; 160.292; 160.293, subdivisions 1 and 3; 160.295, subdivisions 2 and 3; 161.20, subdivision 4; 161.39, subdivisions 1, 5, and 6; 173.02, subdivision 6; and 173.13, subdivision 7; Minnesota Statutes 1983 Supplement, section 173.13, subdivision 4; and Laws 1983, chapter 293, section 2, subdivision 4; proposing new law coded in Minnesota Statutes, chapters 160 and 173."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1843, A bill for an act relating to commerce; clarifying the right of indirect purchasers to sue for damages under the Minnesota Antitrust Law of 1971; amending Minnesota Statutes 1982, section 325D.57.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

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

H. F. No. 1859, A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy non-renewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

Reported the same back with the following amendments:

Page 1, lines 15 and 25, after "*policy*" insert "*or any policy providing insurance coverage as provided in section 60A.06, subdivision 1, clause (1), that insures commercial dwellings*"

Page 1, line 23, delete "*including temporary rules,*"

Page 2, line 2, delete "*70A.20*" and insert "*72A.20*"

Page 2, line 2, after "*13*" delete the comma and insert a semicolon

Page 2, delete line 3

Page 2, line 5, after the word "*causes*" insert "*or any claim where no payment is made by the insurer*"

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. 1916, A resolution memorializing the President, Congress, and the United States Department of Agriculture to take speedy action to insure that frozen pizzas are wholesome, nutritious, flavorful, truthfully labeled, and entirely healthful by approving proposed standards for real cheese content on frozen meat pizzas and affirming that all meat on frozen pizzas should be cooked.

Reported the same back with the following amendments:

Page 1, line 19, delete "*young*"

Page 2, line 36, after the comma insert "*the Secretary of Agriculture and the United States Department of Agriculture,*"

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

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 1937, A bill for an act relating to energy; directing the legislative commission on energy to prepare a policy statement on the expenditure of federal money for energy programs; requiring review of state plans to spend federal energy money; amending Minnesota Statutes 1982, section 3.351, by adding subdivisions.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 3.351, is amended to read:

3.351 [LEGISLATIVE COMMISSION ON ENERGY.]

Subdivision 1. [COMPOSITION.] The legislative commission on energy is composed of five senators of the majority party and three senators of the minority party appointed by the subcommittee on committees of the committee on rules and administration, and five representatives of the majority party and three representatives of the minority party appointed by the speaker of the house. The commission shall be appointed by June 1, 1980. The commission shall elect a chairman from among its members.

Subd. 2. [GENERAL DUTIES.] The commission shall:

(a) Make a continuing study of matters relating to energy supply and use in the state;

(b) Identify the potential for enhanced economic growth and job creation from increased energy efficiency and the production and utilization of renewable energy systems.

(c) Identify ways to assure the provision of necessary energy supplies to all Minnesotans;

(d) Coordinate resources and programs on energy conservation; (AND)

(e) Review overall legislative policy concerning energy; and

(f) *Review and comment on receipt and expenditure of money received by the state under federal law for energy programs.*

Subd. 3. [REVIEW OF PLANS TO RECEIVE AND SPEND FEDERAL ENERGY MONEY.] *The plan for receipt and expenditure of money resulting from litigation or settlements of alleged violations of federal petroleum pricing regulations shall be submitted to the commission for review and comment prior to submission to the federal government provided that if the commission fails to review and comment within 30 days, the plan may be submitted without commission review. The commission by resolution may request the governor or any state agency eligible to receive money from the federal government for other energy programs to submit a plan for expenditure to the commission for review and comment prior to submission to the federal government. If the governor or the agency is required to submit a request to spend the money to the legislative advisory commission under section 3.3005, the commission shall forward its comments to the legislative advisory commission for consideration during its preparation of a recommendation.*

Subd. 4. [ENERGY PLAN; REPORT TO LEGISLATURE.] *The commission shall develop legislative energy plans based on the provisions of subdivision 2 and consistent with appropriate long term energy goals for Minnesota. The plans shall be reported to the legislature no later than February 15 of each year.*

Subd. (4) 5. [STAFF.] *The commission shall use existing legislative facilities and staff."*

Delete the title and insert :

*"A bill for an act relating to energy; directing the legislative commission on energy to review plans for the expenditure of certain federal money for energy programs; amending Minnesota Statutes 1982, section 3.351."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1939, A bill for an act relating to commerce; removing preference for Minnesota made materials in state purchasing; clarifying definition of public contract for resident preference; amending Minnesota Statutes 1982, section 16.365; Minnesota Statutes 1983 Supplement, section 16.0721; repeal-



ing Minnesota Statutes 1982, section 16.073; Minnesota Statutes 1983 Supplement, section 16.072; and Laws 1983, chapter 336, section 3.

Reported the same back with the following amendments:

Page 3, line 15, after the period insert "*If a state agency does not give the preference to the resident bidder, the finance department shall unallot from that agency's budget an amount equal to the specific bid.*"

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. 1944, A bill for an act relating to financial institutions; qualifying obligations of the African Development Bank for public and private investment; amending Minnesota Statutes 1982, sections 11A.24, subdivision 2; 50.14, by adding a subdivision; and 61A.28, subdivision 2; Minnesota Statutes 1983 Supplement, section 60A.11, subdivision 14.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 1981, A bill for an act relating to energy; allowing port authorities to own and operate district heating systems; proposing new law coded in Minnesota Statutes, chapter 471.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 465.74, is amended by adding a subdivision to read:

*Subd. 1a. [CITIES WITH OVER 50,000 INHABITANTS.] A city with over 50,000 inhabitants that is not a city of the first class is authorized to acquire, construct, improve, and operate a district heating system under the same terms and conditions as a city of the first class except as provided herein. Acquisition or construction and financing of a municipal district heating*

*system is not subject to the election requirements of sections 452.11 and 452.12, however, a resolution for the acquisition or construction and financing must be approved by a two-thirds vote of the governing body of the municipality.*

Sec. 2. Minnesota Statutes 1982, section 465.74, is amended by adding a subdivision to read:

*Subd. 7. [PORT AUTHORITIES, OWNERSHIP AND OPERATION OF DISTRICT HEATING SYSTEMS.] A port authority organized pursuant to sections 458.09 to 458.1991 or a special law may acquire, own, construct, and operate a district heating system or systems to provide heating and cooling services and other energy services within the municipality. The authority may, in conjunction with a district heating system, acquire, own, construct, and operate an energy management and control system to monitor and control users' energy demand within the municipality as a related ancillary function of the district heating system. The authority may, in conjunction with a district heating system, acquire, own, construct, and operate ancillary services related to an energy management and control system including, but not limited to, sensing and monitoring services for supervision of fire and life safety systems and building security systems within the municipality.*

*This section shall be effective for a port authority only after adoption of an ordinance or resolution by the board of the port authority and by the governing body of the municipality stating their intention to exercise the authority allowed by this section.*

*A port authority may, with approval of the city, lease part or all of the district heating system or contract with respect to part or all of the district heating system, with any person, corporation, association, or public utility company for the purpose of constructing, improving, operating, or maintaining the district heating system.*

Sec. 3. Minnesota Statutes 1982, section 465.74, is amended by adding a subdivision to read:

*Subd. 8. [MANAGEMENT OF A DISTRICT HEATING SYSTEM BY A PORT AUTHORITY.] A statutory or home rule charter city within which a port authority has been created may delegate to the port authority some or all powers and responsibilities for the management and operation of a district heating system.*

Sec. 4. Minnesota Statutes 1982, section 465.74, is amended by adding a subdivision to read:

*Subd. 9. [OPERATION BY A COUNTY.] A statutory or home rule charter city may contract with a county to operate a*

*district heating system for the provision of district heating services within some or all of the city."*

Delete the title and insert:

"A bill for an act relating to energy; allowing port authorities to own and operate district heating systems; allowing certain cities to acquire district heating systems without election; authorizing counties to provide district heating services within cities under certain conditions; amending Minnesota Statutes 1982, section 465.74, by adding subdivisions."

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 1999, A bill for an act relating to the city of Duluth; authorizing the establishment of an energy conservation program for dwellings as a part of its municipal utility system and the issuance of municipal revenue bonds for that purpose; amending Laws 1981, chapter 223, section 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

S. F. No. 1418, A bill for an act relating to public welfare; authorizing the alcohol and drug abuse section of the department of public welfare to collect certain information; establishing an American Indian advisory council relating to chemical dependency policies; clarifying the evaluation functions of the commissioner of public welfare with respect to chemical dependency policies; amending Minnesota Statutes 1982, sections 254A.03; 254A.05, subdivision 1; 254A.07; 254A.16, subdivisions 1 and 2; and proposing new law coded in Minnesota Statutes, chapter 254A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 254A.03, 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. The commissioner may place the director's position in the unclassified service if the position meets the criteria established in section 43A.08, subdivision 1a. 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 *and review* 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, *and disseminate* 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 about the efficiency and effectiveness of prevention, treatment, and rehabilitation from all comprehensive programs, including programs approved or licensed by the commissioner of public welfare or the commissioner of health or accredited by the joint commission on accreditation of hospitals. The state authority is authorized to require information from comprehensive programs which is reasonable and necessary to fulfill these duties. When required information has been previously furnished to a state or local governmental agency, the state authority shall collect the information from the governmental agency. The state authority shall disseminate facts and summary information about alcohol and other drug abuse dependency problems to public and private agencies, local governments, local and regional planning 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 *by monitoring the conduct of diagnosis and referral services, research and comprehensive programs. The state authority shall submit a biennial report to the governor and the legislature containing a description of public services delivery and recommendations concerning in-*

*crease of coordination and quality of services, and decrease of service duplication and cost;*

(g) establish a state plan which shall set forth goals and priorities (WITHIN) for a comprehensive alcohol and other drug dependency and abuse program for Minnesota. All (GOVERNMENTAL UNITS) state agencies 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 in accordance with the state plan. Each state agency shall annually submit its plans and budgets to the state authority for review. The state authority shall certify whether proposed services comply with the comprehensive state plan and advise each state agency of review findings;

(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;

(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;

(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.

Subd. 2. There is hereby created, within the alcohol and drug abuse section of the department of public welfare, the position of special assistant for American Indian programs on alcoholism and drug abuse and an assistant to that position. The special assistant position shall be filled by a person with considerable practical experience in and understanding of alcohol and other drug abuse problems in the American Indian community, who shall be responsible to the director of the alcohol and drug abuse section created in subdivision 1 and shall be in the unclassified service. The special assistant with the approval of the director shall:

(a) Administer funds appropriated for American Indian groups, organizations and reservations within the state for American Indian alcoholism and drug abuse programs (,).

(b) Establish policies and procedures for such American Indian programs with the assistance of (THE CITIZENS ADVISORY COUNCIL CREATED BY SECTION 254A.04, AND) the American Indian advisory board.

Subd. 3. The commissioner of public welfare shall establish by rule criteria to be used in determining the appropriate level of chemical dependency care, whether outpatient, inpatient or short-term treatment programs, for each recipient of public assistance seeking treatment for alcohol or other drug dependency and abuse problems. The criteria shall address, at least, the family relationship, past treatment history, medical or physical problems, arrest record, and employment situation.

Sec. 2. [254A.035] [AMERICAN INDIAN ADVISORY COUNCIL.]

*Subdivision 1. [ESTABLISHMENT.] There is created an American Indian advisory council to assist the state authority on alcohol and drug abuse in proposal review and formulating policies and procedures relating to chemical dependency and the abuse of alcohol and other drugs by American Indians.*

*Subd. 2. [MEMBERSHIP.] The membership of this council shall be composed of 17 persons who are American Indians and who are appointed by the commissioner. The commissioner shall appoint one representative from each of the following groups: Red Lake Band of Chippewa Indians; Fond du Lac Band, Minnesota Chippewa Tribe; Grand Portage Band, Minnesota Chippewa Tribe; Leech Lake Band, Minnesota Chippewa Tribe; Mille Lacs Band, Minnesota Chippewa Tribe; Bois Forte Band, Minnesota Chippewa Tribe; White Earth Band, Minnesota Chippewa Tribe; Lower Sioux Indian Reservation; Prairie Island Sioux Indian Reservation; Shakopee Mdewakaton Sioux Indian Reservation; Upper Sioux Indian Reservation; International Falls Northern Range; Duluth Urban Indian Community; and two representatives from the Minneapolis Urban Indian Community and two from the St. Paul Urban Indian Community. The terms, compensation, and removal of American Indian advisory council members shall be as provided in section 15.059.*

Sec. 3. Minnesota Statutes 1982, section 254A.05, subdivision 1, is amended to read:

Subdivision 1. (a) The council shall assist in the formulation of policies and guidelines for the implementation of the commissioner's responsibilities in the area of alcohol and drug abuse.

(b) The council shall advise the commissioner and director on policies, goals, and the operation of the comprehensive state plan for alcohol and drug abuse program services in the state and other matters as directed by the commissioner and director,

and shall encourage public understanding and support of the alcohol and drug abuse programs.

(c) The council shall make recommendations to the commissioner regarding grants and contracts which use federal funds, and state funds as authorized under section 254A.03, subdivision 1, clause (h) (, AND FOR AMERICAN INDIAN CHEMICAL DEPENDENCY PROGRAMS AUTHORIZED BY SECTION 254A.031).

Sec. 4. Minnesota Statutes 1982, section 254A.07, is amended to read:

254A.07 [(COMPREHENSIVE PROGRAMS;) COORDINATION OF LOCAL PROGRAMS.]

Subdivision 1. The county board shall coordinate all alcohol and other drug abuse services conducted by local agencies, and review all proposed agreements, contracts, plans, and programs in relation to alcohol and other drug abuse prepared by any such local agencies for funding from any local, state or federal governmental sources.

Subd. 2. The county boards may make grants for (COMPREHENSIVE) *local agency* programs for prevention, care, and treatment of alcohol and other drug abuse as developed and defined by the state authority. Grants made for programs serving the American Indian community shall take into account the guidelines established in section 254A.03, subdivision 1, clause (j). Grants may be made for the cost of these (COMPREHENSIVE) *local agency* programs and services whether provided directly by county boards or by other public and private agencies and organizations, both profit and nonprofit, and individuals, pursuant to contract. Nothing herein shall prevent the state authority from entering into contracts with and making grants to other state agencies for the purpose of providing specific services and programs. With the approval of the county board, the state authority may make grants or contracts for research or demonstration projects specific to needs within that county.

Sec. 5. Minnesota Statutes 1982, section 254A.16, subdivision 1, is amended to read:

Subdivision 1. The commissioner (SHALL) *may* evaluate or contract for the evaluation of all *comprehensive* programs (AUTHORIZED UNDER SECTIONS 254A.031, 254A.12, AND 254A.14) *providing services for preventing and treating alcohol and drug abuse or dependency*. The evaluation shall be directed at determining (THE DEGREE TO WHICH FUNDED ACTIVITIES ATTAIN THEIR PRESTATED OBJECTIVES,) whether existent and proposed activities are the most appro-

priate programmatic response to (PREDETERMINED) *existing* needs (,) and whether they are cost effective.

Sec. 6. Minnesota Statutes 1982, section 254A.16, subdivision 2, is amended to read:

Subd. 2. (a) The commissioner shall provide program *and service* guidelines and technical assistance to the county boards in carrying out (THEIR RESPONSIBILITIES) *services authorized* under sections 254A.08, 254A.12 (AND), 254A.14, and *their responsibilities under chapter 256E.*

(b) The commissioner shall recommend to the governor and to the legislature means of (MAKING THE PROGRAMS FUNDED UNDER SECTIONS 254A.031, 254A.12, AND 254A.14 WHOLLY OR PARTIALLY SELF-SUSTAINING) *improving the efficiency and effectiveness of comprehensive program services in the state and maximizing the use of non-governmental funds for providing comprehensive programs.*

Sec. 7. [EFFECTIVE DATE.]

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

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 347, 1032, 1153, 1345, 1420, 1421, 1425, 1509, 1527, 1532, 1620, 1652, 1663, 1668, 1670, 1700, 1703, 1722, 1781, 1824, 1843, 1859, 1916, 1937, 1939, 1944, 1981 and 1999 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 1476 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Gustafson introduced:

H. F. No. 2101, A bill for an act relating to education; authorizing the purchase of new series textbooks from the capital



expenditure fund; amending Minnesota Statutes 1983 Supplement, section 275.125, subdivision 11a.

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

Segal; McEachern; Nelson, K.; Levi and Tunheim introduced:

H. F. No. 2102, A bill for an act relating to education; requiring elementary schools to offer programs promoting healthy behaviors and lifestyles; establishing a pilot health program for school personnel; proposing new law coded in Minnesota Statutes, chapter 126.

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

Kelly introduced:

H. F. No. 2103, A bill for an act relating to taxation; motor vehicle excise; exempting sales of pioneer cars; amending Minnesota Statutes 1983 Supplement, section 297B.03.

The bill was read for the first time and referred to the Committee on Taxes.

Greenfield introduced:

H. F. No. 2104, A bill for an act relating to public welfare; establishing a board of social work examiners; licensing and regulating social workers; providing penalties; appropriating money; amending Minnesota Statutes 1982, sections 214.01, subdivision 2; and 595.02; proposing new law coded as Minnesota Statutes, chapter 148A.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Gustafson and Boo introduced:

H. F. No. 2105, A bill for an act relating to the city of Duluth; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Vellenga, Valan, Metzen, Rice and Sarna introduced :

H. F. No. 2106, A bill for an act relating to the Minnesota historical society; concerning unclaimed property of historical significance; amending Minnesota Statutes 1982, sections 345.47, subdivision 1, and by adding a subdivision; and 345.525.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Heap introduced :

H. F. No. 2107, A bill for an act relating to the legislature; reducing its size; amending Minnesota Statutes 1983 Supplement, sections 2.021; and 2.031, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Heap introduced :

H. F. No. 2108, A bill for an act relating to insurance; accident and health; regulating the advertising and selling of certain insurance purporting to supplement medicare; proposing new law coded in Minnesota Statutes, chapter 62A; repealing Minnesota Statutes 1982, sections 62A.31 to 62A.42; and Minnesota Statutes 1983 Supplement, sections 62A.43 and 62A.44.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Thiede and Wenzel introduced :

H. F. No. 2109, A bill for an act relating to the establishment of the Croft Mine Historical Board; authorizing a tax levy.

The bill was read for the first time and referred to the Committee on Taxes.

Omann, McEachern, Gruenes and Nelson, D., introduced :

H. F. No. 2110, A bill for an act relating to education; requiring schools to display state flags; amending Minnesota Statutes 1982, section 126.14.

The bill was read for the first time and referred to the Committee on Education.

Elioff, Begich, Battaglia, Minne and Solberg introduced:

H. F. No. 2111, A bill for an act relating to education; basing the distribution of certain taconite tax proceeds to certain school districts on a one year earlier pupil unit count; amending Minnesota Statutes 1983 Supplement, section 298.28, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Kelly, Simoneau, Brandl, Cohen and Hoffman introduced:

H. F. No. 2112, A bill for an act relating to taxation; sales; reducing the tax rate for certain capital equipment; appropriating money; amending Minnesota Statutes 1982, section 297A.01, by adding a subdivision; and Minnesota Statutes 1983 Supplement, sections 297A.02, subdivision 2; and 297A.14.

The bill was read for the first time and referred to the Committee on Taxes.

Peterson, Dimler, Jensen, Neuenschwander and Brinkman introduced:

H. F. No. 2113, A bill for an act relating to motor fuels; setting standards for gasoline and gasoline-alcohol blends; providing testing authority for the weights and measures division of the department of public service; requiring alcohol content disclosure; providing for labeling; appropriating money; amending Minnesota Statutes 1982, sections 296.01, subdivision 3; 296.05, subdivisions 1, 4, 6, and by adding a subdivision; and 296.22, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Wenzel introduced:

H. F. No. 2114, A bill for an act relating to health; establishing a state health care plan; proposing new law coded as Minnesota Statutes, Chapter 62H.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Wenzel introduced:

H. F. No. 2115, A bill for an act relating to local government; requiring the county board of adjustment to take the town board's recommendation into consideration when making certain decisions; amending Minnesota Statutes 1982, section 394.27, subdivision 5.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

McKasy, Metzen and Sieben introduced:

H. F. No. 2116, A bill for an act relating to intoxicating liquor; authorizing the city of West St. Paul to issue two additional on-sale licenses.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Nelson, K., introduced:

H. F. No. 2117, A bill for an act relating to public safety; religion; prohibiting regulation of hand-held candles in religious services; proposing new law coded in Minnesota Statutes, chapter 299F.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Wenzel introduced:

H. F. No. 2118, A bill for an act relating to agriculture; providing income tax incentives to landowners who sell or lease agricultural land to eligible beginning farmers or family farm corporations; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b; proposing new law coded in Minnesota Statutes, chapter 290.

The bill was read for the first time and referred to the Committee on Taxes.

Wenzel introduced:

H. F. No. 2119, A bill for an act relating to local government; restoring local government aid reductions; amending Minnesota Statutes 1983 Supplement, sections 477A.012; 477A.013, subdivision 1; and 477A.0131, subdivision 1.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Eliöff and Solberg introduced:

H. F. No. 2120, A bill for an act relating to local government; appropriating money for upgrading access road to new elementary school.

The bill was read for the first time and referred to the Committee on Transportation.

Beard, Price and Hoffman introduced:

H. F. No. 2121, A bill for an act relating to education; requiring elementary and secondary physical education classes to be taught by instructors licensed in physical education by the board of teaching; amending Minnesota Statutes 1982, section 126.02, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Education.

Minne, Scheid, Evans, Eken and Johnson introduced:

H. F. No. 2122, A bill for an act relating to local government; providing for the distribution of certain federal payments in lieu of property taxes; proposing new law coded in Minnesota Statutes, chapter 471.

The bill was read for the first time and referred to the Committee on Taxes.

Wenzel and Gustafson introduced:

H. F. No. 2123, A bill for an act relating to taxation; changing the definition of wetlands for purposes of the property tax exemption and credit; amending Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Brinkman, Uphus, Mann, Eken and Valan introduced:

H. F. No. 2124, A bill for an act relating to agriculture; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations; amending Minnesota Statutes 1982, section 41.56, subdivision 3.

The bill was read for the first time and referred to the Committee on Agriculture.

Murphy introduced:

H. F. No. 2125, A bill for an act relating to retirement; authorizing the purchase of prior service credit in the teachers retirement association by a certain member of the public employees retirement fund.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Levi, Piepho, Himle, Haukoos and Jennings introduced:

H. F. No. 2126, A resolution memorializing the Congress of the United States to provide an amendment to the Constitution of the United States to provide the president with the authority to veto individual line items in appropriations bills.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Simoneau and Begich introduced:

H. F. No. 2127, A bill for an act relating to workers' compensation; providing for determination of disability in cases of occupational disability; amending Minnesota Statutes 1982, section 176.66, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Greenfield and Clark, K., introduced:

H. F. No. 2128, A bill for an act relating to public welfare; establishing an experimental family-based services program for children; providing grants; proposing new law coded in Minnesota Statutes, chapter 257.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Piper introduced:

H. F. No. 2129, A bill for an act relating to regional planning; permitting school districts to participate in regional planning activities; authorizing counties to exercise regional planning powers where regional development commissions have been terminated; amending Minnesota Statutes 1982, sections 462.371; 462.39, by adding a subdivision; and 462.396, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Knuth, Norton, Quinn, Clawson and Heinitz introduced:

H. F. No. 2130, A bill for an act relating to administrative procedure; providing for a hearing procedure on certain proposed rules; providing an exemption from the contested case procedures; encouraging the use of negotiated rulemaking; regulating certain incorporations by reference; providing for the adoption of the rule after the hearing; requiring certain information to be

contained in a notice to adopt a rule without a public hearing; authorizing interested persons to request a public hearing under certain circumstances; providing for notice of the modification of certain proposed rules; establishing a procedure for the adoption of emergency rules; providing for the expiration of authority for temporary rulemaking; providing for the legal status of certain exempt rules; requiring agencies to maintain official rulemaking records; providing for the judicial determination of the validity of a rule; making various technical changes; amending Minnesota Statutes 1982, sections 14.03, subdivision 2; 14.14, by adding a subdivision; 14.16; 14.23; 14.25; 14.29; 14.30; 14.31; 14.33; 14.35; 14.36; 14.38, subdivision 1; and 14.44; Minnesota Statutes 1983 Supplement, sections 14.07, subdivisions 2 and 4; 14.12; 14.15, subdivision 1; 14.22; 14.26; 14.32; and 14.45; proposing new law coded in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1982, section 14.13; and Minnesota Statutes 1983 Supplement, sections 14.07, subdivision 5; and 14.21.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Gustafson and Boo introduced:

H. F. No. 2131, A bill for an act relating to the city of Duluth; changing the boundaries of the tracts of land administered by the Spirit Mountain recreation area authority; amending Laws 1973, chapter 327, section 2, subdivision 1.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Brinkman introduced:

H. F. No. 2132, A bill for an act relating to health; authorizing the commissioner of insurance to adopt rules related to financial affairs of health maintenance organizations; requiring certificates of authority to be jointly issued by the commissioners of health and insurance; amending Minnesota Statutes 1982, sections 62D.03, as amended; 62D.04; 62D.05, by adding a subdivision; 62D.08; 62D.14; 62D.15, subdivision 1, and by adding a subdivision; 62D.16; 62D.17; 62D.20; and 62D.21.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.



Anderson, G.; Cohen; Skoglund and Knickerbocker introduced:

H. F. No. 2133, A bill for an act relating to metropolitan government; providing for the administration of the metropolitan council and commissions; providing for the appointment of certain chairmen; providing for additional consultation on appointments; amending Minnesota Statutes 1982, sections 473.123, subdivision 6; and 473.141, subdivision 11; and Minnesota Statutes 1983 Supplement, sections 473.123, subdivision 3; and 473.141, subdivision 3.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Brinkman, Sieben, Neuenschwander and Scheid introduced:

H. F. No. 2134, A resolution memorializing the governments of the United States and the Federal Republic of Germany that the State of Minnesota adopts the Land of Bayern as a sister state.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Simoneau, Knuth, Rodosovich, Blatz and Fjoslien introduced:

H. F. No. 2135, A bill for an act relating to public safety; prohibiting the state fire marshal from adopting or enforcing certain rules relating to family or group family day care homes; amending Minnesota Statutes 1982, section 299F.011, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Johnson, Shea and Redalen introduced:

H. F. No. 2136, A bill for an act relating to agriculture; requiring commercial feed manufacturers to carry liability insurance; amending Minnesota Statutes 1982, section 25.34, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

McEachern and Anderson, B., introduced:

H. F. No. 2137, A bill for an act relating to education; establishing a scholarship program at certain state universities and certain campuses of the University of Minnesota to recruit top scholars in certain fields of study; appropriating money; proposing new law coded in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Appropriations.

Clark, J., and Skoglund introduced:

H. F. No. 2138, A bill for an act relating to public nuisances; defining a nuisance; providing for the enjoinder of nuisances; proposing new law coded in Minnesota Statutes, chapter 617; repealing Minnesota Statutes 1982, sections 617.33; 617.34; 617.35; 617.36; 617.37; 617.38; 617.39; 617.40; and 617.41.

The bill was read for the first time and referred to the Committee on Judiciary.

Gustafson introduced:

H. F. No. 2139, A bill for an act relating to insurance; requiring health maintenance organizations to provide coverage for services within the scope of the license of a dentist or podiatrist; requiring employers to offer alternative prepaid health plan coverage to employees; authorizing any licensed dentist to participate in certain prepaid dental plans; amending Minnesota Statutes 1982, section 62A.043.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Himle; Shea; Frerichs; Anderson, G., and Rose introduced:

H. F. No. 2140, A bill for an act relating to unemployment compensation; regulating benefit eligibility related to receipt of severance pay; amending Minnesota Statutes 1983 Supplement, section 268.08, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Ogren and Gustafson introduced:

H. F. No. 2141, A bill for an act relating to commerce; modifying the definition of "franchise" for purposes of franchise regulation; amending Minnesota Statutes 1982, section 80C.01, subdivision 4.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Himle, Kvam, Scheid, Elioff and Halberg introduced:

H. F. No. 2142, A bill for an act relating to taxation; income; conforming to federal law for treatment of contributions to individual retirement plans and other pension plans; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

The bill was read for the first time and referred to the Committee on Taxes.

Metzen, Jacobs, McDonald, Brinkman and Blatz introduced:

H. F. No. 2143, A bill for an act relating to taxation; income; abolishing the farm loss modification; amending Minnesota Statutes 1982, sections 290.05, subdivision 3; and 290.095, subdivision 11; Minnesota Statutes 1983 Supplement, sections 290.01, subdivisions 20a, 20b, and 20f; 290.09, subdivision 1; 290.095, subdivision 7; and 290A.03, subdivision 3; repealing Minnesota Statutes 1983 Supplement, section 290.09, subdivision 29.

The bill was read for the first time and referred to the Committee on Taxes.

Onnen, Begich, Schreiber, Valento and Brinkman introduced:

H. F. No. 2144, A bill for an act relating to taxation; sales; exempting sales by certain organizations; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Munger, Schoenfeld, Battaglia, Elioff and Gustafson introduced:

H. F. No. 2145, A bill for an act relating to the University of Minnesota; conditioning appropriations for the Duluth campus on its administration reporting directly to the Board of Regents or on the Board of Regents' appointment of chief executive officers for the Twin Cities campus and each coordinate campus; proposing new law coded in Minnesota Statutes, chapter 137.

The bill was read for the first time and referred to the Committee on Appropriations.

Brinkman introduced:

H. F. No. 2146, A bill for an act relating to crimes; regulating public dances; amending Minnesota Statutes 1982, section 624.50.

The bill was read for the first time and referred to the Committee on Judiciary.

Shaver, Heap, Gutknecht and Knuth introduced:

H. F. No. 2147, A bill for an act relating to the legislature; extending the laws on post-auditing, attribution of published documents, ethics, and open meetings now relating just to the executive branch to include the legislative branch; amending Minnesota Statutes 1982, sections 3.971, subdivision 1; 16.81; 43A.38; and 471.705, subdivision 1.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Skoglund, Metzen and Heinitz introduced:

H. F. No. 2148, A bill for an act relating to insurance; authorizing the use of smoker and nonsmoker mortality tables; proposing new law coded in Minnesota Statutes, chapter 61A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Long, Begich and Nelson, D., introduced:

H. F. No. 2149, A bill for an act relating to hazardous waste management; indemnifying persons liable under the environmental response and liability act; requiring operators to demonstrate financial responsibility; creating a state liability trust fund; imposing a disposal surcharge; appropriating money; proposing new law coded in Minnesota Statutes, chapter 115A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Waltman introduced:

H. F. No. 2150, A bill for an act relating to newspapers; making certain publications legal newspapers; proposing new law coded in Minnesota Statutes, chapter 331.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Norton, Dempsey, Halberg and Ellingson introduced:

H. F. No. 2151, A bill for an act relating to commerce; clarifying the limitations on enforcement of indemnification agreements in construction contracts; amending Minnesota Statutes 1983 Supplement, sections 337.01, subdivisions 2, 3, and 4; 337.02; 337.03; and 337.05, subdivision 2, and by adding subdivisions; and Laws 1983, chapter 333, section 6; proposing new law coded in Minnesota Statutes, chapter 337.

The bill was read for the first time and referred to the Committee on Judiciary.

Wenzel introduced:

H. F. No. 2152, A bill for an act relating to agriculture; changing the eligibility requirements for a family farm security loan; amending Minnesota Statutes 1983 Supplement, section 41.55.

The bill was read for the first time and referred to the Committee on Agriculture.

Graba, Ogren and Bergstrom introduced:

H. F. No. 2153, A bill for an act relating to taxation; sales; expanding the exemption for electricity for agricultural production; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Clawson introduced:

H. F. No. 2154, A bill for an act relating to civil commitment; providing for status review of persons residing in state facilities pursuant to an order of guardianship; amending Laws 1982, chapter 581, section 26, as amended.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Clawson introduced:

H. F. No. 2155, A bill for an act relating to civil commitment; clarifying the conditions under which a guardian may place a minor ward in certain treatment facilities; amending Minnesota Statutes 1983 Supplement, section 525.619.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Clark, J., introduced:

H. F. No. 2156, A bill for an act relating to public welfare; establishing financial responsibility for newborn infants remaining in excluded time facilities; establishing time spent in correctional facilities as excluded time for purposes of medical assistance; amending Minnesota Statutes 1982, section 256.79; Minnesota Statutes 1983 Supplement, section 256B.02, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Welch, Heinitz, Norton, Pauly and Brinkman introduced:

H. F. No. 2157, A bill for an act relating to the legislative auditor; authorizing the audit of metropolitan agencies, boards, and commissions; amending Minnesota Statutes 1982, section 3.971, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jacobs introduced:

H. F. No. 2158, A bill for an act relating to intoxicating liquor; providing for the validation and issuance of intoxicating liquor licenses on Indian reservations; amending Minnesota Statutes 1982, section 340.11, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Zaffke introduced:

H. F. No. 2159, A bill for an act relating to intoxicating liquor; allowing Shingobee township to issue and renew certain off-sale licenses; validating certain liquor licenses.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Simoneau, Norton, Rice, Stadum and Sviggum introduced:

H. F. No. 2160, A bill for an act relating to public employment labor relations; recodifying the public employment labor relations act; proposing new law coded as Minnesota Statutes, chapter 179A; repealing Minnesota Statutes 1982, sections 179.61 to 179.76, as amended.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Ellingson introduced:

H. F. No. 2161, A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws affected; requiring the revisor of statutes to editorially change criminal fines in a manner consistent with 1983 regular session changes made in maximum authorized fines; amending Minnesota Statutes 1982, chapters 1, as amended; 16, as amended; 16A, as amended; 177, as amended; and 300, as amended; and Minnesota Statutes 1982, sections 10.39; 15.375; 80A.22, subdivision 1; 152.15, subdivision 1; 609.20; Minnesota Statutes 1983 Supplement, sections 609.21; 609.52, subdivision 3; 609.582; 617.246, subdivisions 2, 3, and 4; repealing Minnesota Statutes 1982, sections 10.02; 10.03; 16A.02; 16A.04, subdivisions 2 and 3; 16A.07; 16A.08; 16A.125, subdivision 6; 16A.132; 16A.52; 16A.55; 16A.65, subdivision 3; and Minnesota Statutes 1983 Supplement, section 609.0341, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Piper, Wynia, Forsythe, Jennings and Sieben introduced:

H. F. No. 2162, A bill for an act relating to Minnesota Statutes; providing for the replacement of gender-specific references with neutral or equal references to gender; imposing duties on the revisor of statutes and other legislative staff; setting goals; providing for the accomplishment of goals within existing resources.

The bill was read for the first time and referred to the Committee on Judiciary.

Heinitz and Welker introduced:

H. F. No. 2163, A bill for an act relating to taxation; income; eliminating the income tax surtax; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

The bill was read for the first time and referred to the Committee on Taxes.



Schoenfeld, Bergstrom, McEachern, Onnen and Johnson introduced:

H. F. No. 2164, A bill for an act relating to local government; requiring payments as a condition of annexations; amending Minnesota Statutes 1982, section 414.031, subdivision 4.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Sarna; Rodriguez, F.; Metzen and Wigley introduced:

H. F. No. 2165, A bill for an act relating to retirement; highway patrol; age and service requirements; annuity formula; amending Minnesota Statutes 1983 Supplement, section 352B.08.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Battaglia and Begich introduced:

H. F. No. 2166, A bill for an act relating to public utilities; requiring certain utility pole guy lines to be marked with reflector tape; proposing new law coded in Minnesota Statutes, chapter 237.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Battaglia and Begich introduced:

H. F. No. 2167, A bill for an act relating to transportation; prohibiting certain types of barricades, fences, or obstructions across highways and roads; imposing a penalty; amending Minnesota Statutes 1982, section 160.27, subdivision 5.

The bill was read for the first time and referred to the Committee on Transportation.

Battaglia introduced:

H. F. No. 2168, A bill for an act relating to parks; providing for the conveyance of certain land for Voyageurs National Park; appropriating money; amending Minnesota Statutes 1982, section 84B.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Battaglia introduced:

H. F. No. 2169, A bill for an act relating to state lands; conveying lands to the federal government for Voyageurs National Park; appropriating money; amending Minnesota Statutes 1982, section 84B.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Battaglia introduced:

H. F. No. 2170, A bill for an act relating to Lake County; authorizing the county to establish a loan program to forestall foreclosures of mortgages on residential and agricultural homesteads.

The bill was read for the first time and referred to the Committee on Judiciary.

Battaglia and Erickson introduced:

H. F. No. 2171, A bill for an act relating to cities; providing that certain cities shall not be reclassified for purposes of the municipal state-aid street system; amending Minnesota Statutes 1982, section 162.09, subdivision 4.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Wenzel introduced:

H. F. No. 2172, A bill for an act relating to transportation; highways; modifying restrictions on loading of vehicles driven on highways; amending Minnesota Statutes 1982, section 169.81, subdivision 5.

The bill was read for the first time and referred to the Committee on Transportation.

McEachern introduced:

H. F. No. 2173, A bill for an act relating to housing; prohibiting certain rent control ordinances in cities, counties, and towns; 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.

Gustafson; Clark, J.; Forsythe and Dempsey introduced:

H. F. No. 2174, A bill for an act relating to corrections; providing for costs of transporting convicted persons and children adjudicated delinquent to correctional facilities; amending Minnesota Statutes 1983 Supplement, section 243.17, subdivision 1.

The bill was read for the first time and referred to the Committee on Appropriations.

Heap, by request, introduced:

H. F. No. 2175, A bill for an act relating to gambling; allowing certain organizations to wager on golf matches under specified conditions; amending Minnesota Statutes 1982, sections 349.26, subdivisions 8, 10, 11, 12, 13, 14, 15, 15a, and by adding a subdivision; 349.31, subdivision 1; 541.20; 541.21; and Minnesota Statutes 1983 Supplement, section 609.75, subdivision 3.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Metzen and Sieben introduced:

H. F. No. 2176, A bill for an act relating to the town of Cannon Falls; authorizing the establishment of detached banking facilities.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Munger, Murphy, Battaglia, Elioff and Begich introduced:

H. F. No. 2177, A bill for an act relating to transportation; authorizing extension of I-35 in Duluth; amending Minnesota Statutes 1982, sections 161.12; and 161.1245, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Anderson, B., introduced:

H. F. No. 2178, A bill for an act relating to claims; transportation; requiring the commissioner of transportation to pay claims for damages arising from an inadequate drainage culvert under trunk highway number 30; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Wenzel introduced:

H. F. No. 2179, A bill for an act relating to education; providing additional funding for a certain technology demonstration site proposal; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Elioff, Begich, Solberg, Battaglia and Minne introduced:

H. F. No. 2180, A resolution memorializing the President and Secretary of Transportation of the United States, the National Transportation Safety Board, and the Minnesota Congressional delegation to implement a program for the reflectorization of railroad rolling stock.

The bill was read for the first time and referred to the Committee on Transportation.

Heap introduced:

H. F. No. 2181, A bill for an act relating to taxation; income; providing an exclusion for governmental pensions; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b.

The bill was read for the first time and referred to the Committee on Taxes.

Wenzel introduced:

H. F. No. 2182, A bill for an act relating to agriculture; changing certain duties of the commissioner; changing certain reporting requirements concerning agricultural land ownership; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; and 500.221, subdivision 4.

The bill was read for the first time and referred to the Committee on Agriculture.

Valan, Wynia, Swanson and Forsythe introduced:

H. F. No. 2183, A bill for an act relating to health; providing counseling and educational services for sudden infant death syndrome families; requiring autopsies on victims of sudden

infant death syndrome; requiring the report of sudden infant death to the registrar of vital statistics; amending Minnesota Statutes 1982, sections 144.06; 144.07; 144.222; and 390.11.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Krueger introduced:

H. F. No. 2184, A bill for an act relating to agriculture; directing further study on the problem of stray voltage; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

Schoenfeld; Anderson, G.; Dimler; McEachern and Schreiber introduced:

H. F. No. 2185, A bill for an act relating to local government; providing for the conduct of the business of towns; setting various conditions for elections; providing for certain town debt; revising various other town laws; providing penalties; amending Minnesota Statutes 1982, sections 6.54, as amended; 6.55; 117.011; 160.02, subdivision 6; 160.05, subdivision 1; 160.-17, subdivisions 1 and 2; 164.06; 164.11; 164.14, by adding a subdivision; 340.14, subdivision 5; 365.10; 365.15; 365.37; 365.51; 365.53; 366.01, subdivisions 2, 3, 4, 7, and by adding subdivisions; 366.015; 366.07; 367.02; 367.05, subdivision 1; 367.10; 367.15; 367.19; 367.23; 367.24; 367.30, subdivision 2; 367.31, subdivision 6; 368.01, subdivisions 1, 17, 21, 22, and 26; 368.121; 450.19; 624.44; and 624.51; Minnesota Statutes 1983 Supplement, sections 365.52; 366.20; 367.11; and 429.011, subdivision 2b; proposing new law coded in Minnesota Statutes, chapters 365; 366; and 368; repealing Minnesota Statutes 1982, sections 160.21, subdivision 5; 365.105; 365.106; 365.12; 366.06; 367.035; 367.05, subdivision 2; 368.01, subdivision 28; 368.02; 368.03; 368.04; 368.05; 368.06; 368.07; 368.08; 368.09; 368.10; 368.11; and 368.86.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Scheid and Schreiber introduced:

H. F. No. 2186, A bill for an act relating to public finance; providing for allocation of federal authority to issue certain state and local obligations; amending Minnesota Statutes 1982,

sections 116J.42, by adding a subdivision; 273.77; 429.091, by adding a subdivision; 430.12; and 472.09, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 458; 459; 462; 474; and 475.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Clark, K.; Staten and Kelly introduced:

H. A. No. 55, A proposal to study regulatory policies which restrict the ability of low-income women to start small businesses.

The advisory was referred to the Committee on Commerce and Economic Development.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

The Message from the Senate and the Conference Committee report on S. F. No. 989 which were printed in the Journal of the House on Tuesday, March 6, 1984 on pages 6357 through 6363 and continued were reported to the House.

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

S. F. No. 989, A bill for an act relating to collection and dissemination of data; classifying government data as public, private, and nonpublic; clarifying issues relating to classifications of data, access to data, the effect of death of individuals on classifications, and the temporary classification of data; refining provisions of the data practice act; amending Minnesota Statutes 1982, sections 13.02, subdivision 8, and by adding a subdivision; 13.03, subdivisions 3 and 4, and by adding subdivisions; 13.04, subdivision 2; 13.05, subdivisions 3, 7, 9, and 10, and by adding a subdivision; 13.06, subdivisions 1 and 6; 13.31, subdivision 2; 13.41, by adding a subdivision; 13.43, subdivision 2; 13.44; 13.46, subdivision 2, and by adding subdivisions; 13.67; 144.335, subdivision 2; and 253B.03, subdivision 8; proposing new law coded in Minnesota Statutes, chapter 13.

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

Ellingson moved that the House refuse to adopt the Conference Committee report on S. F. No. 989 and that the bill be returned to the Senate and to the Conference Committee. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1350 and 1562.

PATRICK E. FLAHAVER, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 1350, A bill for an act relating to courts; providing for court of appeal representation on the judicial board of standards and certain advisory committees; amending Minnesota Statutes 1982, sections 480.052; 480.059, subdivision 2; and Minnesota Statutes 1983 Supplement, section 490.15, subdivision 1.

The bill was read for the first time.

Vanasek moved that S. F. No. 1350 and H. F. No. 1504, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1562, A bill for an act relating to probate; providing for the transmission of documents to foreign consuls by the office of the secretary of state; amending Minnesota Statutes 1982, section 524.3-403.

The bill was read for the first time and referred to the Committee on Judiciary.

#### CONSENT CALENDAR

H. F. No. 560, A bill for an act relating to Cook County; permitting the sale of certain land.

The bill was read for the third 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:

Anderson, B.	Ellingson	Knuth	Peterson	Solberg
Anderson, G.	Erickson	Kostohryz	Piepho	Sparby
Anderson, R.	Evans	Krueger	Piper	Stadum
Battaglia	Findlay	Kvam	Price	Staten
Beard	Fjoslien	Larsen	Quinn	Sviggunn
Begich	Forsythe	Levi	Quist	Swanson
Bennett	Frerichs	Ludeman	Redalen	Thiede
Bergstrom	Graba	Mann	Reif	Tomlinson
Bishop	Greenfield	Marsh	Riveness	Tunheim
Blatz	Gruenes	McEachern	Rodosovich	Uphus
Boo	Gustafson	McKasy	Rodriguez, C.	Valan
Brandl	Gutknecht	Metzen	Rodriguez, F.	Valento
Burger	Haukoos	Minne	Rose	Vanasek
Carlson, D.	Heap	Munger	Sarna	Vellenga
Carlson, L.	Himle	Murphy	Schafer	Voss
Clark, J.	Hoberg	Nelson, D.	Scheid	Waltman
Clark, K.	Hoffman	Nelson, K.	Schoenfeld	Welch
Clawson	Hokr	Neuenschwander	Schreiber	Welker
Cohen	Jacobs	O'Connor	Seaberg	Welle
Coleman	Jensen	Ogren	Segal	Wenzel
Dempsey	Johnson	Olsen	Shaver	Wigley
DenOuden	Kahn	Omann	Shea	Wynia
Dimler	Kalis	Onnen	Sherman	Zatfke
Eken	Kelly	Otis	Simoneau	Speaker Sieben
Elioff	Knickerbocker	Pauly	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1405, A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, 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:

Anderson, B.	Clark, J.	Frerichs	Johnson	McKasy
Anderson, G.	Clark, K.	Graba	Kahn	Metzen
Anderson, R.	Cohen	Greenfield	Kalis	Minne
Battaglia	Coleman	Gruenes	Kelly	Munger
Beard	Dempsey	Gustafson	Knickerbocker	Murphy
Begich	DenOuden	Gutknecht	Knuth	Nelson, D.
Bennett	Dimler	Haukoos	Kostohryz	Nelson, K.
Bergstrom	Eken	Heap	Krueger	Neuenschwander
Bishop	Elioff	Himle	Kvam	O'Connor
Blatz	Ellingson	Hoberg	Larsen	Ogren
Boo	Erickson	Hoffman	Levi	Olsen
Brandl	Evans	Hokr	Ludeman	Omann
Burger	Findlay	Jacobs	Mann	Onnen
Carlson, D.	Fjoslien	Jennings	Marsh	Osthoff
Carlson, L.	Forsythe	Jensen	McEachern	Otis



Pauly	Rodosovich	Segal	Sviggum	Voss
Peterson	Rodriguez, C.	Shaver	Swanson	Waltman
Piepho	Rodriguez, F.	Shea	Thiede	Welch
Piper	Rose	Sherman	Tomlinson	Welker
Price	Sarna	Simoneau	Tunheim	Welle
Quinn	Schafer	Skoglund	Uphus	Wenzel
Quist	Scheid	Solberg	Valan	Wigley
Redalen	Schoenfeld	Sparby	Valento	Wynia
Reif	Schreiber	Stadum	Vanasek	Zaffke
Riveness	Seaberg	Staten	Vellenga	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1460, A bill for an act relating to state lands; providing for the conveyance of certain land in International Falls.

The bill was read for the third 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:

Anderson, B.	Erickson	Kostohryz	Pauly	Skoglund
Anderson, G.	Evans	Krueger	Peterson	Solberg
Anderson, R.	Findlay	Kvam	Piepho	Sparby
Battaglia	Fjoslien	Larsen	Piper	Stadum
Beard	Forsythe	Levi	Price	Staten
Begich	Frerichs	Long	Quinn	Sviggum
Bennett	Graba	Ludeman	Quist	Swanson
Bergstrom	Greenfield	Mann	Redalen	Thiede
Bishop	Gruenes	Marsh	Reif	Tomlinson
Blatz	Custafson	McEachern	Riveness	Tunheim
Boo	Gutknecht	McKasy	Rodosovich	Uphus
Brandl	Haukoos	Metzen	Rodriguez, C.	Valan
Burger	Hiinle	Minne	Rodriguez, F.	Valento
Carlson, D.	Hoberg	Munger	Rose	Vanasek
Carlson, L.	Hoffman	Murphy	Sarna	Vellenga
Clark, J.	Hokr	Nelson, D.	Schafer	Voss
Clark, K.	Jacobs	Nelson, K.	Scheid	Waltman
Cohen	Jennings	Neuenschwander	Schoenfeld	Welch
Coleman	Jensen	O'Connor	Schreiber	Welker
Dempsey	Johnson	Ogren	Seaberg	Welle
DenOuden	Kahn	Olsen	Segal	Wenzel
Dimler	Kalis	Omann	Shaver	Wigley
Eken	Kelly	Onnen	Shea	Wynia
Elioff	Knickerbocker	Osthoff	Sherman	Zaffke
Ellingson	Knuth	Otis	Simoneau	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1496, A bill for an act relating to state lands; providing for the conveyance of certain state land to the city of Pillager.

The bill was read for the third 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:

Anderson, B.	Erickson	Kostohryz	Peterson	Stadum
Anderson, G.	Evans	Krueger	Piepho	Staten
Anderson, R.	Findlay	Kvam	Piper	Sviggum
Battaglia	Fjoslien	Larsen	Price	Swanson
Beard	Forsythe	Levi	Quinn	Thiede
Begich	Frerichs	Long	Quist	Tomlinson
Bennett	Graba	Ludeman	Redalen	Tunheim
Bergstrom	Greenfield	Mann	Reif	Uphus
Bishop	Gruenes	Marsh	Riveness	Valan
Blatz	Gustafson	McEachern	Rodosovich	Valento
Boo	Gutknecht	McKasy	Rodriguez, C.	Vanasek
Brandl	Haukoos	Metzen	Rodriguez, F.	Vallenga
Burger	Himle	Minne	Rose	Voss
Carlson, D.	Hoberg	Munger	Sarna	Waltman
Carlson, L.	Hoffman	Murphy	Scheid	Welch
Clark, J.	Hokr	Nelson, D.	Schoenfeld	Welker
Clark, K.	Jacobs	Nelson, K.	Schreiber	Welle
Cohen	Jennings	Neuenschwander	Seaberg	Wenzel
Coleman	Jensen	O'Connor	Segal	Wigley
Dempsey	Johnson	Ogren	Shea	Wynia
DenOuden	Kahn	Olsen	Sherman	Zaffke
Dimler	Kalis	Omman	Simoneau	Speaker Sieben
Eken	Kelly	Onnen	Skoglund	
Elioff	Knickerbocker	Osthoff	Solberg	
Ellingson	Knuth	Otis	Sparby	

The bill was passed and its title agreed to.

H. F. No. 1522, A bill for an act relating to Mille Lacs county; permitting the sale of certain tax-forfeited land.

The bill was read for the third 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:

Anderson, B.	Clawson	Gruenes	Knuth	Nelson, K.
Anderson, G.	Cohen	Gustafson	Kostohryz	Neuenschwander
Anderson, R.	Coleman	Gutknecht	Krueger	O'Connor
Battaglia	Dempsey	Haukoos	Kvam	Ogren
Beard	DenOuden	Heap	Larsen	Olsen
Begich	Dimler	Himle	Levi	Omman
Bennett	Eken	Hoberg	Long	Onnen
Bergstrom	Elioff	Hoffman	Ludeman	Osthoff
Bishop	Ellingson	Hokr	Mann	Otis
Blatz	Erickson	Jacobs	Marsh	Pauly
Boo	Evans	Jennings	McEachern	Peterson
Brandl	Findlay	Jensen	McKasy	Piepho
Burger	Fjoslien	Johnson	Metzen	Piper
Carlson, D.	Forsythe	Kahn	Minne	Price
Carlson, L.	Frerichs	Kalis	Munger	Quinn
Clark, J.	Graba	Kelly	Murphy	Quist
Clark, K.	Greenfield	Knickerbocker	Nelson, D.	Redalen

Reif	Schoenfeld	Solberg	Uphus	Welle
Riveness	Schreiber	Sparby	Valan	Wenzel
Rodosovich	Seaberg	Stadum	Valento	Wigley
Rodriguez, C.	Segal	Staten	Vanasek	Wynia
Rodriguez, F.	Shaver	Sviggum	Veilenga	Zaffke
Rose	Shea	Swanson	Voss	Speaker Sieben
Sarna	Sherman	Thiede	Waltman	
Schafer	Simoneau	Tomlinson	Welch	
Scheid	Skoglund	Tunheim	Welker	

The bill was passed and its title agreed to.

H. F. No. 1621, A bill for an act relating to veterans; allowing certain veterans organizations to use space in the Veterans Service Building; amending Minnesota Statutes 1982, section 197.58.

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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Krueger	Piper	Stadum
Anderson, G.	Findlay	Kvam	Price	Staten
Anderson, R.	Fjoslien	Larsen	Quinn	Sviggum
Battaglia	Forsythe	Levi	Quist	Swanson
Beard	Frerichs	Long	Redalen	Thiede
Begich	Graba	Ludeman	Reif	Tomlinson
Bennett	Greenfield	Mann	Rice	Tunheim
Bergstrom	Gruenes	Marsh	Riveness	Uphus
Bishop	Gustafson	McEachern	Rodosovich	Valan
Blatz	Gutknecht	McKasy	Rodriguez, C.	Valento
Boo	Haukoos	Metzen	Rodriguez, F.	Vanasek
Brandl	Heap	Minne	Rose	Vellenga
Carlson, D.	Himle	Munger	Sarna	Voss
Carlson, L.	Hoberg	Murphy	Schafer	Waltman
Clark, J.	Hoffman	Nelson, D.	Scheid	Welch
Clark, K.	Hokr	Nelson, K.	Schoenfeld	Welker
Clawson	Jacobs	Neuenschwander	Schreiber	Welle
Cohen	Jennings	O'Connor	Seaberg	Wenzel
Coleman	Jensen	Ogren	Segal	Wigley
Dempsey	Johnson	Olsen	Shaver	Wynia
DenOuden	Kahn	Omann	Shea	Zaffke
Dimler	Kalis	Onnen	Sherman	Speaker Sieben
Eken	Kelly	Otis	Simoneau	
Elioff	Knickerbocker	Pauly	Skoglund	
Ellingson	Knuth	Peterson	Solberg	
Erickson	Kostohryz	Piepho	Sparby	

The bill was passed and its title agreed to.

H. F. No. 1659, A bill for an act relating to commerce; prohibiting limited partnerships from interposing the defense of usury; amending Minnesota Statutes 1982, section 334.021.

The bill was read for the third 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:

Anderson, B.	Erickson	Kvam	Piepho	Stadium
Anderson, C.	Evans	Larsen	Piper	Staten
Anderson, R.	Findlay	Levi	Price	Sviggum
Battaglia	Fjoslien	Long	Quinn	Swanson
Beard	Forsythe	Ludeman	Quist	Thiede
Begich	Frerichs	Mann	Redalen	Tomlinson
Bennett	Graba	Marsh	Reif	Tunheim
Bergstrom	Greenfield	McEachern	Rice	Uphus
Bishop	Gruenes	McKasy	Riveness	Valan
Blatz	Gustafson	Metzen	Rodosovich	Valento
Boo	Gutknecht	Minne	Rodriguez, C.	Vanasek
Brandl	Haukoos	Munger	Rodriguez, F.	Vellenga
Burger	Heap	Murphy	Rose	Voss
Carlson, D.	Himle	Nelson, D.	Sarna	Waltman
Carlson, L.	Hoffman	Nelson, K.	Schafer	Welch
Clark, J.	Hokr	Neuenschwander	Scheid	Welker
Clark, K.	Jacobs	Norton	Schoenfeld	Welle
Clawson	Jennings	O'Connor	Schreiber	Wenzel
Cohen	Jensen	Ogren	Seaberg	Wigley
Coleman	Johnson	Olsen	Segal	Wynia
Dempsey	Kahn	Omann	Shaver	Zaffke
DenOuden	Kalis	Onnen	Sherman	Speaker Sieben
Dimler	Knickerbocker	Osthoff	Simoneau	
Eken	Knuth	Otis	Skoglund	
Elioff	Kostohryz	Pauly	Solberg	
Ellingson	Krueger	Peterson	Sparby	

The bill was passed and its title agreed to.

H. F. No. 1699, A bill for an act relating to state lands; terminating a possible right of reversion to the state in certain real estate.

The bill was read for the third 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:

Anderson, B.	Clark, J.	Frerichs	Johnson	McEachern
Anderson, C.	Clark, K.	Graba	Kahn	Metzen
Anderson, R.	Clawson	Greenfield	Kalis	Minne
Battaglia	Cohen	Gruenes	Kelly	Munger
Beard	Coleman	Gustafson	Knickerbocker	Murphy
Begich	Dempsey	Gutknecht	Knuth	Nelson, D.
Bennett	DenOuden	Haukoos	Kostohryz	Nelson, K.
Bergstrom	Eken	Heap	Krueger	Neuenschwander
Bishop	Elioff	Himle	Kvam	Norton
Blatz	Ellingson	Hoberg	Larsen	O'Connor
Boo	Erickson	Hoffman	Levi	Ogren
Brandl	Evans	Hokr	Long	Olsen
Burger	Findlay	Jacobs	Ludeman	Omann
Carlson, D.	Fjoslien	Jennings	Mann	Onnen
Carlson, L.	Forsythe	Jensen	Marsh	Osthoff

Otis	Riveness	Seaberg	Staten	Voss
Pauly	Rodosovich	Segal	Sviggum	Waltman
Peterson	Rodriguez, C.	Shaver	Thiede	Welch
Piepho	Rodriguez, F.	Shea	Tomlinson	Welker
Piper	Rose	Sherman	Tunheim	Welle
Price	Sarna	Simoneau	Uphus	Wenzel
Quinn	Schafer	Skoglund	Valan	Wigley
Quist	Scheid	Solberg	Valento	Wynia
Reif	Schoenfeld	Sparby	Vanasek	Zaffke
Rice	Schreiber	Stadum	Vellenga	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1786 was reported to the House.

Upon objection of ten members H. F. No. 1786 was stricken from the Consent Calendar and returned to General Orders.

### CALENDAR

S. F. No. 214 was reported to the House and given its third reading.

### CALL OF THE HOUSE

On the motion of Seaberg and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Anderson, B.	Erickson	Knuth	Onnen	Sparby
Anderson, R.	Evans	Kostohryz	Otis	Stadum
Battaglia	Findlay	Krueger	Pauly	Staten
Beard	Fjoslien	Kvam	Peterson	Sviggum
Begich	Forsythe	Larsen	Piepho	Swanson
Bennett	Frerichs	Levi	Piper	Thiede
Bergstrom	Graba	Long	Price	Tomlinson
Blatz	Greenfield	Ludeman	Quist	Tunheim
Boo	Gruenes	Mann	Redalen	Valan
Brandl	Gustafson	Marsh	Rodosovich	Valento
Burger	Gutknecht	McEachern	Rodriguez, C.	Vanasek
Carlson, D.	Haukoos	McKasy	Rose	Vellenga
Carlson, L.	Heap	Metzen	Sarna	Voss
Clark, J.	Himle	Minne	Schafer	Welch
Clark, K.	Hoberg	Munger	Scheid	Welker
Clawson	Hoffman	Murphy	Schoenfeld	Welle
Cohen	Hokr	Nelson, D.	Schreiber	Wenzel
Coleman	Jacobs	Nelson, K.	Seaberg	Wigley
Dempsey	Jennings	Neuenschwander	Segal	Wynia
DenOuden	Jensen	Norton	Shaver	Zaffke
Dimler	Johnson	O'Connor	Shea	Speaker Sieben
Eken	Kahn	Ogren	Simoneau	
Elioff	Kalis	Olsen	Skoglund	
Ellingson	Knickerbocker	Omann	Solberg	

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.

S. F. No. 214, A bill for an act relating to traffic regulations; requiring the use of seat belts by motor vehicle passengers; prohibiting a surcharge for failure to use seat belts; requiring insurers to reduce premium rates if claim amounts are reduced; amending Minnesota Statutes 1982, sections 65B.133, subdivision 5; and 169.685, by adding subdivisions.

The bill was placed upon its final passage.

The question was taken on the passage of the bill and the roll was called.

Jennings 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 55 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Larsen	Peterson	Shaver
Anderson, G.	Forsythe	Long	Piper	Shea
Battaglia	Graba	Mann	Price	Simoneau
Beard	Greenfield	McKasy	Quist	Skoglund
Bennett	Himle	Munger	Reif	Tomlinson
Bergstrom	Hoberg	Murphy	Rodosovich	Tunheim
Boo	Hoffman	Nelson, D.	Rodriguez, C.	Vanasek
Brandl	Kahn	Norton	Rodriguez, F.	Vellenga
Clark, J.	Kalis	Olsen	Schoenfeld	Welch
Clark, K.	Knickerbocker	Otis	Seaberg	Wynia
Coleman	Knuth	Pauly	Segal	Speaker Sieben

Those who voted in the negative were:

Anderson, R.	Evans	Kostohryz	Osthoff	Swanson
Begich	Findlay	Krueger	Piepho	Thiede
Bishop	Fjoslien	Kvam	Quinn	Uphus
Blatz	Frerichs	Levi	Redalen	Valan
Burger	Gruenes	Ludeman	Rivness	Valento
Carlson, D.	Gustafson	Marsh	Rose	Voss
Carlson, L.	Gutknecht	McEachern	Sarna	Waltman
Clawson	Haukoos	Metzen	Schafer	Welker
Cohen	Heap	Minne	Scheid	Welle
Dempsey	Hokr	Nelson, K.	Schreiber	Wenzel
DenOuden	Jacobs	Neuenschwander	Sherman	Wigley
Dimler	Jennings	O'Connor	Solberg	Zaffke
Eken	Jensen	Ogren	Sparby	
Elioff	Johnson	Omamm	Stadum	
Erickson	Kelly	Onnen	Sviggum	

The bill was not passed.

## MOTION FOR RECONSIDERATION

Jennings moved that the vote whereby S. F. No. 214 was not passed earlier today be now reconsidered.

A roll call was requested and properly seconded.

The question was taken on the Jennings motion to reconsider and the roll was called.

Eken moved that those not voting be excused from voting. The motion prevailed.

There were 95 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Knickerbocker	Osthoff	Shea
Anderson, G.	Elioff	Knuth	Otis	Sherman
Battaglia	Ellingson	Kostohryz	Pauly	Simoneau
Beard	Erickson	Larsen	Peterson	Skoglund
Begich	Evans	Levi	Piper	Solberg
Bennett	Forsythe	Long	Price	Staten
Bergstrom	Graba	Mann	Quist	Sviggum
Bishop	Greenfield	McKasy	Redalen	Swanson
Blatz	Gruenes	Metzen	Reif	Tomlinson
Boo	Gutknecht	Minne	Riveness	Tunheim
Braundl	Heap	Munger	Rodosovich	Uphus
Burger	Himle	Murphy	Rodriguez, C.	Valan
Carlson, D.	Hoffman	Nelson, D.	Rodriguez, F.	Vanasek
Carlson, L.	Jennings	Neuenschwander	Rose	Vellenga
Clark, J.	Jensen	Norton	Sarna	Welch
Clawson	Johnson	Ogren	Scheid	Welle
Cohen	Kahn	Olsen	Schoenfeld	Wenzel
Coleman	Kalis	Omann	Seaberg	Wynia
Dimler	Kelly	Onnen	Shaver	Speaker Sieben

Those who voted in the negative were:

Anderson, R.	Haukoos	Ludcman	Schreiber	Voss
Dempsey	Hokr	Marsh	Sparby	Waltman
DenOuden	Jacobs	O'Connor	Stadum	Welker
Fjoslien	Krueger	Piepho	Thiede	Wigley
Frerichs	Kvam	Schafer	Valento	Zaffke

The motion prevailed.

S. F. No. 214 was again reported to the House.

Rodriguez, C., moved that S. F. No. 214 be returned to General Orders. The motion prevailed.

## CALL OF THE HOUSE LIFTED

Levi moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

H. F. No. 1279, A bill for an act relating to crimes; clarifying the crime of contributing to the delinquency of a minor; providing for the admissibility of certain statements as evidence; expanding the definitions of sexual contact and coercion; increasing the age limit of minor victims protected under criminal sexual conduct offenses; clarifying certain terms; amending Minnesota Statutes 1982, sections 595.02; 609.341, subdivisions 11 and 14; 609.346; 609.347, subdivision 3; 609.364, subdivision 9; and 626.556, subdivision 8; Minnesota Statutes 1983 Supplement, sections 260.315; 609.342; and 609.343; proposing new law coded in Minnesota Statutes, chapter 260.

The bill was read for the third 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:

Anderson, G.	Erickson	Kostohryz	Otis	Skoglund
Anderson, R.	Evans	Krueger	Pauly	Solberg
Battaglia	Findlay	Kvam	Peterson	Sparby
Beard	Fjoslien	Larsen	Piepho	Stadum
Begich	Forsythe	Levi	Piper	Staten
Bennett	Frerichs	Long	Price	Sviggum
Bergstrom	Graba	Ludeman	Quinn	Swanson
Bishop	Greenfield	Mann	Quist	Thiede
Blatz	Gruenes	Marsh	Redalen	Tomlinson
Boo	Gustafson	McEachern	Reif	Uphus
Brandl	Gutknecht	McKasy	Riveness	Valan
Burger	Haukoos	Metzen	Rodosovich	Valento
Carlson, D.	Heap	Minne	Rodriguez, C.	Vanasek
Carlson, L.	Himle	Munger	Rodriguez, F.	Vellenga
Clark, J.	Hobberg	Murphy	Rose	Voss
Clark, K.	Hoffman	Nelson, D.	Sarna	Waltman
Clawson	Hokr	Nelson, K.	Schafer	Welch
Cohen	Jacobs	Neuenschwander	Scheid	Welker
Coleman	Jennings	Norton	Schoenfeld	Welle
Dempsey	Jensen	O'Connor	Schreiber	Wenzel
DenOuden	Johnson	Ogren	Seaberg	Wigley
Dimler	Kabis	Olsen	Segal	Wynia
Eken	Kelly	Omann	Shea	Zaffke
Elioff	Knickerbocker	Onnen	Sherman	Speaker Sieben
Ellingson	Knuth	Osthoff	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1408, A bill for an act relating to public safety; traffic regulations; regulating school buses; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; 169.44, subdivisions 1c, 2, 8, and 15; 169.45; and 171.01, 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 :

Anderson, B.	Erickson	Kvam	Piepho	Sparby
Anderson, G.	Evans	Larsen	Piper	Stadum
Anderson, R.	Findlay	Levi	Price	Staten
Battaglia	Fjoslien	Long	Quinn	Sviggun
Beard	Forsythe	Ludeman	Quist	Swanson
Begich	Frerichs	Mann	Redalen	Thiede
Bennett	Graba	Marsh	Reif	Tomlinson
Bergstrom	Gruenes	McEachern	Riveness	Tunheim
Bishop	Gustafson	McKasy	Rodosovich	Uphus
Blatz	Gutknecht	Metzen	Rodriguez, C.	Valan
Boo	Haukoos	Minne	Rodriguez, F.	Valento
Burger	Heap	Munger	Rose	Vanasek
Carlson, D.	Himle	Murphy	Sarna	Vellenga
Carlson, L.	Hoberg	Nelson, D.	Schafer	Voss
Clark, J.	Hoffman	Nelson, K.	Scheid	Waltman
Clark, K.	Hokr	Neuenschwander	Schoenfeld	Welch
Clawson	Jacobs	Norton	Schreiber	Welle
Cohen	Jennings	O'Connor	Seaberg	Wenzel
Coleman	Jensen	Ogren	Segal	Wigley
Dempsey	Johnson	Olsen	Shaver	Wynia
DenOuden	Kalis	Omann	Shea	Zaffke
Dimler	Knickerbocker	Osthoff	Sherman	Speaker Sieben
Eken	Knuth	Otis	Simoneau	
Elioff	Kostohryz	Pauly	Skoglund	
Ellingson	Krueger	Peterson	Solberg	

The bill was passed and its title agreed to.

Hoberg was excused for the remainder of today's session.

**H. F. No. 1377, A bill for an act relating to local government; providing for supplemental local government aid payments to certain cities and towns; appropriating money.**

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

## Those who voted in the affirmative were :

Anderson, B.	Clawson	Gustafson	Kvam	Ogren
Anderson, G.	Coleman	Gutknecht	Larsen	Olsen
Anderson, R.	Dempsey	Haukoos	Levi	Omann
Battaglia	DenOuden	Heap	Long	Onnen
Beard	Dimler	Himle	Ludeman	Osthoff
Begich	Eken	Hoffman	Mann	Otis
Bennett	Elioff	Hokr	Marsh	Pauly
Bergstrom	Ellingson	Jacobs	McEachern	Peterson
Bishop	Erickson	Jennings	McKasy	Piepho
Blatz	Evans	Jensen	Metzen	Piper
Boo	Findlay	Johnson	Minne	Price
Brandl	Fjoslien	Kahn	Munger	Quist
Burger	Forsythe	Kalis	Murphy	Redalen
Carlson, D.	Frerichs	Kelly	Nelson, D.	Reif
Carlson, L.	Graba	Knickerbocker	Nelson, K.	Riveness
Clark, J.	Greenfield	Knuth	Neuenschwander	Rodosovich
Clark, K.	Gruenes	Krueger	O'Connor	Rodriguez, C.

Rodriguez, F.	Shea	Sviggum	Vanasek	Wigley
Rose	Sherman	Swanson	Vellenga	Wynia
Sarna	Simoneau	Thiede	Voss	Zaffke
Schafer	Skoglund	Tomlinson	Waltman	Speaker Sieben
Scheid	Solberg	Tunheim	Welch	
Schoenfeld	Sparby	Uphus	Welker	
Scaberg	Stadum	Valan	Welle	
Segal	Staten	Valento	Wenzel	

The bill was passed and its title agreed to.

H. F. No. 1481, A bill for an act relating to financial institutions; credit unions; authorizing credit unions to offer various classes of shares, share certificates, deposits, or deposit certificates; authorizing the board of directors to establish different classes of shares and place certain restrictions on one class of shares; allowing credit unions to designate the par value of shares; specifying certain components of the capital of a credit union; adding investment losses to the category of contingencies against which credit unions are required to reserve; permitting the board to pay no dividend; permitting the exclusion of one share of a member from the requirement for insurance; amending Minnesota Statutes 1982, sections 52.12; 52.17, subdivision 1; 52.18; and 52.24, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 52.01; 52.04, subdivision 1; 52.05; and 52.09, 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:

Anderson, G.	Elioff	Kalis	Ogren	Schoenfeld
Anderson, R.	Ehlingson	Kelly	Olsen	Schreiber
Battaglia	Erickson	Knickerbocker	Omann	Seaberg
Beard	Evans	Knuth	Onnen	Segal
Begich	Findlay	Kostohryz	Osthoff	Shaver
Bennett	Fjoslien	Krueger	Otis	Shea
Bergstrom	Forsythe	Kvam	Pauly	Sherman
Bishop	Frerichs	Larsen	Peterson	Simoneau
Blatz	Graba	Levi	Piepho	Skoglund
Boo	Greenfield	Long	Piper	Solberg
Brandl	Gruenes	Ludeman	Price	Sparby
Burger	Gustafson	Mann	Quinn	Stadum
Carlson, D.	Gutknecht	Marsh	Quist	Staten
Carlson, L.	Haukoos	McEachern	Redalen	Sviggum
Clark, J.	Heap	Metzen	Reif	Swanson
Clark, K.	Himle	Minn	Riveness	Thiede
Clawson	Hoffman	Munger	Rodosovich	Tomlinson
Cohen	Hokr	Murphy	Rodriguez, C.	Tunheim
Coleman	Jacobs	Nelson, D.	Rodriguez, F.	Uphus
Dempsey	Jennings	Nelson, K.	Rose	Valan
DenOuden	Jensen	Neuenschwander	Sarna	Valento
Dimler	Johnson	Norton	Schafer	Vanasek
Eken	Kahn	O'Connor	Scheid	Vellenga

Voss Waltman	Welch Welker	Welle Wenzel	Wigley Wynia	Zaffke Speaker Sieben
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The bill was passed and its title agreed to.

**H. F. No. 1516, A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivisions 2 and 3; and 429.101, 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 113 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Krueger	Pauly	Simoneau
Anderson, G.	Erickson	Kvam	Peterson	Skoglund
Battaglia	Evans	Larsen	Piepho	Solberg
Beard	Findlay	Levi	Piper	Sparby
Begich	Fjoslien	Long	Price	Staten
Bennett	Forsythe	Mann	Quinn	Swiggum
Bergstrom	Grabaa	Marsh	Quist	Swanson
Bishop	Greenfield	McEachern	Redalen	Tomlinson
Blatz	Gruenes	McKasy	Reif	Tunheim
Boo	Gustafson	Metzen	Rice	Uphus
Brandl	Gutknecht	Minne	Riveness	Valento
Burger	Heap	Munger	Rodosovich	Vanasek
Carlson, D.	Himle	Murphy	Rodriguez, C.	Vellenga
Carlson, L.	Hoffman	Nelson, D.	Rodriguez, F.	Voss
Clark, J.	Jacobs	Nelson, K.	Rose	Waltman
Clark, K.	Jensen	Neuenschwander	Sarna	Welch
Clawson	Johnson	Norton	Scheid	Welle
Cohen	Kahn	O'Connor	Schoenfeld	Wenzel
Coleman	Kalis	Ogren	Seaberg	Wynia
Dempsey	Kelly	Olsen	Segal	Zaffke
Dimler	Knickerbocker	Omann	Shaver	Speaker Sieben
Eken	Knuth	Osthoff	Shea	
Elioff	Kostohryz	Otis	Sherman	

Those who voted in the negative were:

DerOuden	Jennings	Onnen	Schreiber	Welker
Frerichs	Ludeman	Schafer	Thiede	Wigley
Haukoos				

The bill was passed and its title agreed to.

**H. F. No. 1587, A bill for an act relating to state government; ratifying state labor agreements and compensation plans; providing for interim approval of certain negotiated agreements and compensation plans; making a change in the state unit composition schedule.**

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 106 yeas and 20 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Long	Piper	Solberg
Anderson, G.	Forsythe	Mann	Price	Sparby
Anderson, R.	Graba	Marsh	Quinn	Staten
Battaglia	Greenfield	McEachern	Quist	Striggum
Beard	Gruenes	McKasy	Redalen	Swanson
Begich	Gustafson	Metzen	Rice	Tomlinson
Bennett	Gutknecht	Minne	Riveness	Tunheim
Bergstrom	Heap	Munger	Rodosovich	Valan
Bishop	Himle	Murphy	Rodriguez, C.	Valento
Boo	Hoffman	Nelson, D.	Rodriguez, F.	Vanasek
Brandl	Hokr	Nelson, K.	Rose	Vellenga
Carlson, D.	Jacobs	Neuenschwander	Sarna	Voss
Carlson, L.	Jensen	Norton	Scheid	Waltman
Clark, J.	Johnson	O'Conner	Schoenfeld	Welch
Clark, K.	Kahn	Ogren	Schreiber	Welle
Clawson	Kalis	Olsen	Seaberg	Wenzel
Cohen	Kelly	Omamm	Segal	Wynia
Coleman	Knickerbocker	Osthoff	Shaver	Speaker Sieben
Dinler	Knuth	Otis	Shea	
Eken	Kostohryz	Pauly	Sherman	
Elioff	Larsen	Peterson	Simoneau	
Ellingson	Levi	Piepho	Skoglund	

Those who voted in the negative were:

Blatz	Findlay	Jennings	Onnen	Uphus
Dempsey	Fjoslien	Krueger	Reif	Welker
DenOuden	Frerichs	Kvam	Schafer	Wigley
Erickson	Haukoos	Ludeman	Thiede	Zaffke

The bill was passed and its title agreed to.

H. F. No. 1654, A bill for an act relating to animals; prohibiting the use of a decompression chamber to destroy an animal; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 343.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 78 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Brandl	Clawson	Fjoslien	Hokr
Battaglia	Carlson, D.	Cohen	Forsythe	Jacobs
Beard	Carlson, L.	Coleman	Greenfield	Jensen
Begich	Clark, J.	Elioff	Himle	Kelly
Blatz	Clark, K.	Ellingson	Hoffman	Knickerbocker

Knuth	Murphy	Pauly	Sarna	Vanasek
Kostohryz	Nelson, D.	Peterson	Scheid	Vellenga
Krueger	Nelson, K.	Piper	Schoenfeld	Voss
Larsen	Neuenschwander	Price	Seaberg	Welch
Levi	Norton	Quinn	Shea	Welle
Long	O'Connor	Rice	Simoneau	Wenzel
Mann	Ogren	Rivenness	Skoglund	Wynia
Marsh	Omann	Rodosovich	Solberg	Zaffke
McEachern	Onnen	Rodriguez, C.	Staten	Speaker Sieben
Metzen	Osthoff	Rodriguez, F.	Swanson	
Minne	Otis	Rose	Tomlinson	

Those who voted in the negative were:

Bennett	Erickson	Heap	Redalen	Thiede
Bishop	Evans	Jennings	Reif	Tunheim
Boo	Findlay	Johnson	Schafer	Uphus
Burger	Frerichs	Kalis	Schreiber	Valento
Dempsey	Graba	Kvam	Shaver	Waltman
DenOuden	Gruenes	Ludeman	Sherman	Welker
Dimler	Gutknecht	Piepho	Sparby	Wigley
Eken	Haukoos	Quist	Sviggunn	

The bill was passed and its title agreed to.

H. F. No. 1257, A bill for an act relating to occupations and professions; regulating entertainment agencies; providing penalties; proposing new law coded as Minnesota Statutes, chapter 184A.

The bill was read for the third time 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 17 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kostohryz	Pauly	Shea
Anderson, G.	Ellingson	Krueger	Peterson	Sherman
Anderson, R.	Erickson	Larsen	Piper	Simoneau
Battaglia	Forsythe	Levi	Price	Skoglund
Beard	Graba	Long	Quinn	Solberg
Begich	Greenfield	Mann	Quist	Sparby
Bennett	Gruenes	McEachern	Redalen	Staten
Bergstrom	Gustafson	McKasy	Reif	Swanson
Bishop	Gutknecht	Metzen	Rice	Tomlinson
Brandl	Heap	Minne	Rivenness	Tunheim
Burger	Himle	Munger	Rodosovich	Valan
Carlson, D.	Hoffman	Murphy	Rodriguez, C.	Vanasek
Carlson, L.	Jacobs	Nelson, D.	Rodriguez, F.	Vellenga
Clark, J.	Jensen	Nelson, K.	Rose	Voss
Clark, K.	Johnson	Neuenschwander	Sarna	Waltman
Clawson	Kahn	O'Connor	Scheid	Welch
Cohen	Kalis	Ogren	Schoenfeld	Welle
Coleman	Kelly	Olsen	Seaberg	Wenzel
Dimler	Knickerbocker	Osthoff	Segal	Wynia
Eken	Knuth	Otis	Shaver	Speaker Sieben

Those who voted in the negative were:

DenOuden	Kvam	Piepho	Thiede	Welker
Fjoslien	Ludeman	Schafer	Uphus	Wigley
Frerichs	Omann	Sviggum	Valento	Zaffke
Haukoos	Onnen			

The bill was passed and its title agreed to.

H. F. No. 1382, A bill for an act relating to crimes; clarifying the definition of "inmate" and "term of imprisonment"; providing for the manner of modifying sentencing guidelines and resentencing affected inmates; amending Minnesota Statutes 1982, section 244.01, subdivisions 2 and 8; 244.09, subdivision 5, and by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 244.09, subdivision 11.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 119 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Peterson	Skoglund
Anderson, G.	Evans	Kvam	Piepho	Solberg
Anderson, R.	Findlay	Larsen	Piper	Sparby
Battaglia	Fjoslien	Levi	Price	Stadum
Beard	Forsythe	Long	Quinn	Staten
Begich	Frerichs	Ludeman	Quist	Sviggum
Bennett	Graba	Mann	Redalen	Swanson
Bergstrom	Greenfield	Marsh	Reif	Thiede
Bishop	Grucnes	McEachern	Riveness	Tomlinson
Blatz	Gutknecht	McKasy	Rodosovich	Tunheim
Brandl	Haukoos	Metzen	Rodriguez, C.	Uphus
Burger	Heap	Minne	Rodriguez, F.	Valan
Carlson, D.	Himle	Munger	Rose	Valento
Carlson, L.	Hoffman	Nelson, D.	Sarna	Vanasek
Clark, J.	Hokr	Nelson, K.	Schafer	Vellenga
Clark, K.	Jacobs	Neuenschwander	Scheid	Voss
Cohen	Jensen	O'Connor	Schoenfeld	Waltman
Coleman	Johnson	Ogren	Schreiber	Welch
Dempsey	Kahn	Olsen	Seaberg	Welle
DenOuden	Kalis	Omann	Segal	Wigley
Dimler	Kelly	Onnen	Shaver	Wynia
Eken	Knickerbocker	Osthoff	Shea	Zaffke
Elioff	Knuth	Otis	Sherman	Speaker Sieben
Ellingson	Kostohryz	Pauly	Simoneau	

Those who voted in the negative were:

Wenzel

The bill was passed and its title agreed to.

H. F. No. 1428, A bill for an act relating to missing children; requiring the commissioner of public safety to establish a Min-

nesota missing child program; requiring law enforcement agencies receiving missing child reports to take certain actions; proposing new law coded in Minnesota Statutes, chapter 299C.

The bill was read for the third 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 3 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Krueger	Peterson	Solberg
Anderson, G.	Fjoslien	Kvam	Piepho	Sparby
Anderson, R.	Forsythe	Larsen	Piper	Staten
Battaglia	Frerichs	Levi	Price	Sviggum
Beard	Graba	Long	Quinn	Swanson
Begich	Greenfield	Mann	Quist	Tomlinson
Bennett	Cruenes	Marsh	Redalen	Tunheim
Bergstrom	Gustafson	McEachern	Reif	Uphus
Bishop	Gutknecht	McKasy	Riveness	Valan
Blatz	Haukoos	Metzen	Rodosovich	Valento
Brandl	Heap	Minne	Rodriguez, C.	Vanasck
Carlson, D.	Himle	Munger	Rodriguez, F.	Vellenga
Carlson, L.	Hoffman	Nelson, D.	Rose	Voss
Clark, J.	Hokr	Nelson, K.	Sarna	Waltman
Clark, K.	Jacobs	Neuenschwander	Schafer	Welch
Cohen	Jennings	Norton	Scheid	Welle
Coleman	Jensen	O'Connor	Schoenfeld	Wenzel
Dempsey	Johnson	Ogren	Schreiber	Wigley
DenOuden	Kahn	Olsen	Seaberg	Wynia
Dimler	Kalis	Omann	Segal	Zaffke
Eken	Kelly	Onnen	Shaver	Speaker Sieben
Ellingson	Knickerbocker	Osthoff	Shea	
Erickson	Knuth	Otis	Simoneau	
Evans	Kostohryz	Pauly	Skoglund	

Those who voted in the negative were:

Ludeman Thiede Welker

The bill was passed and its title agreed to.

H. F. No. 1611, A bill for an act relating to commerce; manufactured homes; clarifying provisions relating to manufactured home safety features; amending Minnesota Statutes 1983 Supplement, sections 327C.02, subdivision 5; and 327C.07, subdivisions 3a and 8.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 9 nays as follows:

## Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Otis	Skoglund
Anderson, G.	Erickson	Krueger	Pauly	Solberg
Anderson, R.	Evans	Kvam	Peterson	Sparby
Battaglia	Findlay	Larsen	Piper	Staten
Beard	Fjoslien	Levi	Price	Sviggum
Begich	Forsythe	Long	Quinn	Swanson
Bennett	Graba	Mann	Quist	Tomlinson
Bergstrom	Greenfield	Marsh	Redalen	Tunheim
Bishop	Gustafson	McEachern	Rice	Uphus
Blatz	Gutknecht	McKasy	Riveness	Valan
Brandl	Haukoos	Metzen	Rodosovich	Valento
Burger	Heap	Minne	Rodriguez, C.	Vanasek
Carlson, D.	Himle	Munger	Rodriguez, F.	Vellenga
Carlson, L.	Hoffman	Murphy	Rose	Voss
Clark, J.	Hokr	Nelson, D.	Sarna	Waltman
Clark, K.	Jacobs	Nelson, K.	Scheid	Welch
Clawson	Jensen	Neuenschwander	Schoenfeld	Welle
Cohen	Johnson	Norton	Schreiber	Wenzel
Coleman	Kahn	O'Connor	Seaberg	Wigley
Dempsey	Kalis	Ogren	Segal	Wynia
Dimler	Kelly	Olsen	Shaver	Speaker Sieben
Eken	Knickerbocker	Onnen	Shea	
Elioff	Knuth	Osthoff	Simoneau	

## Those who voted in the negative were:

DenOuden	Jennings	Omann	Thiede	Zaffke
Gruenes	Ludeman	Schafer	Welker	

The bill was passed and its title agreed to.

H. F. No. 1784, A bill for an act relating to the state board of investment; establishing combined investment funds; amending Minnesota Statutes 1982, sections 11A.14; and 11A.24, subdivision 2; and Minnesota Statutes 1983 Supplement, section 11A.24, subdivision 1; repealing Minnesota Statutes 1982, section 356.20, 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 123 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, B.	Brandl	DenOuden	Frerichs	Hokr
Anderson, G.	Burger	Dimler	Graba	Jacobs
Anderson, R.	Carlson, D.	Eken	Greenfield	Jennings
Battaglia	Carlson, L.	Elioff	Gruenes	Jensen
Beard	Clark, J.	Ellingson	Gustafson	Johnson
Begich	Clark, K.	Erickson	Gutknecht	Kalis
Bennett	Clawson	Evans	Haukoos	Kelly
Bergstrom	Cohen	Findlay	Heap	Knickerbocker
Bishop	Coleman	Fjoslien	Himle	Knuth
Blatz	Dempsey	Forsythe	Hoffman	Kostohryz



Krueger	Neuenschwander	Redalen	Shea	Valento
Kvam	Norton	Reif	Sherman	Vanasek
Larsen	O'Connor	Rice	Simoneau	Vellenga
Levi	Ogren	Riveness	Skoglund	Voss
Long	Olsen	Rodosovich	Soiberg	Waltman
Mann	Omamm	Rodriguez, C.	Sparby	Welch
Marsh	Onnen	Rodriguez, F.	Stadum	Welker
McEachern	Osthoff	Sarna	Staten	Welle
McKasy	Otis	Schafer	Swiggum	Wenzel
Metzen	Pauly	Scheid	Swanson	Wigley
Minne	Piepho	Schoenfeld	Thiede	Wynia
Munger	Piper	Schreiber	Tomlinson	Zaffke
Murphy	Price	Seaberg	Tunheim	Speaker Sieben
Nelson, D.	Quinn	Segal	Uphus	
Nelson, K.	Quist	Shaver	Valan	

The bill was passed and its title agreed to.

Rodosovich was excused at 4:15 p.m. Heap was excused at 4:25 p.m. Anderson, G., was excused at 4:50 p.m.

### GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole with Sieben in the Chair for the consideration of bills pending on General Orders of the Day. Wynia presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. No. 432 which it recommended to pass with the following amendments:

Offered by Redalen:

Page 5, line 27, delete "a" and insert "*an elected*"

Offered by Redalen:

Page 3, line 14, after "*sediment*" insert "*that, upon inspection, is determined to have been caused by accelerated erosion as provided in section 8*"

Offered by Schreiber:

Page 7, line 18, delete "*this act*" and insert "*an administrative order issued under section 8 or a supplemental order issued under section 9*"

Offered by Schreiber:

Page 1, line 23, after "by" insert "*the governing body of a statutory or home rule charter city, town, or*"

Page 1, line 23, delete "*commissioners*"

Page 1, line 25, delete "*the county's*" and insert "*local*"

Page 2, line 3, delete "*county's*"

Page 3, line 18, delete "*the county's*" and insert "*local*"

Page 3, line 35, delete "*county commissioners*" and insert "*the governing body*"

Page 4, line 12, delete "COUNTY"

Page 4, line 14, after "*Each*" insert "*statutory or home rule charter city, town, or*" and after "*county*" insert "*exercising planning and zoning authority under sections 366.10 to 366.19, 394.21 to 394.37, or 462.351 to 462.365*"

Page 4, line 16, delete "*county which*"

Page 4, line 17, delete "*has adopted the provisions of this act*" and insert "*local government unit that has adopted an ordinance*"

Page 4, line 21, delete "*county*" and insert "*local unit*"

Page 4, line 22, after the period insert "*Ordinances adopted by local units within the metropolitan area defined in section 473.121 must be consistent with local water management plans adopted under section 473.879.*"

Page 4, line 28, delete "*counties*" and insert "*local governments*"

Page 4, line 32, delete "*of a county*"

Page 4, line 34, delete "*by each county*"

Page 5, line 31, delete "*county board of*"

Page 5, line 32, delete "*the county which contains*" and insert "*governing body of the local government unit exercising planning and zoning authority under sections 366.10 to 366.19, 394.21 to 394.37, or 462.351 to 462.365 over*"

Page 6, line 2, delete "*commissioners of any county*" and insert "*governing body of the local government unit*"

Page 6, line 3, delete "*the county*" and insert "*its jurisdiction*"

Page 6, line 6, delete "*county's*" and insert "*local unit's*"

Page 6, line 7, delete "*county board*" and insert "*local government unit*"

Page 6, line 10, delete "*commissioners find*" and insert "*governing body of the local unit finds*"

Page 6, line 16, delete "*county's*"

Page 7, line 7, delete "*county commissioners*" and insert "*local unit*"

Offered by Onnen :

Page 5, line 27, delete "*federal,*"

Page 5, line 28, delete "*state, or*"

On the motion of Eken the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole :

Sparby, Sviggum, Welker and Findlay moved to amend H. F. No. 432, the first engrossment, as amended, as follows :

Page 4, line 14, delete "*must*" and insert "*may*"

Page 4, line 14, delete "*by August 1, 1989*"

Page 4, line 15, delete "*shall*" and insert "*may*"

The question was taken on the amendment and the roll was called. There were 45 yeas and 70 nays as follows :

Those who voted in the affirmative were :

Anderson, B.	Blatz	Eken	Forsythe	Jennings
Anderson, G.	Brandl	Erickson	Frerichs	Kalis
Anderson, R.	Dempsey	Evans	Graba	Krueger
Bergstrom	DenOuden	Findlay	Haukoos	Kvam
Bishop	Dimler	Fjoslien	Hokr	Ludeman

Neuenschwander	St. Onge	Sparby	Tunheim	Welker
Ogren	Schafer	Stadum	Uphus	Wenzel
Onnen	Schoenfeld	Sviggum	Valento	Wigley
Quist	Segal	Thiede	Welch	Zaffke

Those who voted in the negative were:

Beard	Gutknecht	Mann	Piepho	Shea
Bennett	Himle	Marsh	Piper	Sherman
Burger	Hoffman	McKasy	Price	Simoneau
Carlson, L.	Jacobs	Munger	Quinn	Skoglund
Clark, J.	Jensen	Murphy	Redalen	Staten
Clark, K.	Johnson	Nelson, D.	Reif	Swanson
Clawson	Kahn	Nelson, K.	Rice	Tomlinson
Cohen	Kelly	Norton	Riveness	Valan
Coleman	Knickerbocker	Olsen	Rodriguez, C.	Vanasek
Elioff	Knuth	Omiann	Rodriguez, F.	Vellenga
Ellingson	Kostohryz	Osthoff	Rose	Voss
Greenfield	Larsen	Otis	Scheid	Waltman
Gruenes	Levi	Pauly	Schreiber	Welle
Gustafson	Long	Peterson	Seaberg	Wynia

The motion did not prevail and the amendment was not adopted.

Waltman moved to amend H. F. No. 432, the first engrossment, as amended, as follows:

Page 4, line 27, before "shall" insert "and after ratification of the proposed rules by at least 65 percent of the local soil and water conservation districts,"

Page 5, line 7, after "board" insert "and if the proposed revisions are ratified by at least 65 percent of the local soil and water conservation districts"

The question was taken on the Waltman amendment and the roll was called. There were 31 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Ludeman	Sherman	Tunheim
Anderson, R.	Fjoslien	Ogren	Solberg	Waltman
Bishop	Graba	Piepho	Sparby	Welker
Dempsey	Kalis	St. Onge	Stadum	Welle
DenOuden	Krueger	Schafer	Sviggum	Wigley
Erickson	Kvam	Segal	Thiede	Zaffke
Evans				

Those who voted in the negative were:

Anderson, G.	Clark, K.	Frerichs	Jacobs	Kostohryz
Beard	Clawson	Greenfield	Jensen	Larsen
Blatz	Coleman	Gruenes	Johnson	Levi
Brandl	Eken	Gustafson	Kahn	Long
Burger	Elioff	Gutknecht	Kelly	Mann
Carlson, L.	Ellingson	Himle	Knickerbocker	Marsh
Clark, J.	Forsythe	Hoffman	Knuth	McEachern

McKasy	Olsen	Redalen	Seaberg	Valento
Metzen	Omann	Reif	Shaver	Vanasek
Minne	Osthoff	Riveness	Shea	Vellenga
Munger	Otis	Rodriguez, C.	Simoneau	Voss
Murphy	Pauly	Rodriguez, F.	Skoglund	Wenzel
Nelson, D.	Peterson	Rose	Staten	Wynia
Nelson, K.	Piper	Sarna	Swanson	Speaker Sieben
Neuenschwander	Price	Scheid	Tomlinson	
Norton	Quinn	Schoenfeld	Uphus	
O'Connor	Quist	Schreiber	Valan	

The motion did not prevail and the amendment was not adopted.

Welker, Sviggum, Sparby, DenOuden, Fjoslien and Thiede moved to amend H. F. No. 432, the first engrossment, as amended, as follows:

Page 4, delete lines 13 through 15

Page 4, line 16, delete "provided in section 4."

The question was taken on the amendment and the roll was called. There were 38 yeas and 74 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dimler	Hokr	Reif	Thiede
Begich	Eken	Jennings	St. Onge	Tunheim
Bishop	Erickson	Kalis	Schafer	Valento
Blatz	Evans	Krueger	Schoenfeld	Welker
Burger	Findlay	Kvam	Solberg	Wigley
Carlson, D.	Fjoslien	Ludeman	Sparby	Zaffke
Dempsey	Graba	Neuenschwander	Stadum	
DenOuden	Haukoos	Onnen	Sviggum	

Those who voted in the negative were:

Battaglia	Himle	McEachern	Piepho	Shaver
Beard	Hoffman	Metzen	Piper	Simoneau
Bergstrom	Jacobs	Minne	Price	Skoglund
Brandl	Jensen	Munger	Quinn	Swanson
Carlson, L.	Johnson	Murphy	Quist	Uphus
Clark, J.	Kahn	Nelson, D.	Redalen	Valan
Clark, K.	Kelly	Nelson, K.	Riveness	Vanasek
Clawson	Knickerbocker	Norton	Rodriguez, C.	Vellenga
Coleman	Knuth	O'Connor	Rodriguez, F.	Voss
Elioff	Kostohryz	Olsen	Rose	Waltman
Ellingson	Larsen	Omann	Sarna	Welle
Greenfield	Levi	Osthoff	Scheid	Wenzel
Gruenes	Long	Otis	Schreiber	Wynia
Gustafson	Mann	Pauly	Schreiberg	Speaker Sieben
Gutknecht	Marsh	Peterson	Segal	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 432, as amended, and the roll was called. There were 87 yeas and 33 nays as follows:

Those who voted in the affirmative were:

Battaglia	Gruenes	McEachern	Piper	Sherman
Beard	Gustafson	McKasy	Price	Simoneau
Begich	Gutknecht	Metzen	Quinn	Skoglund
Bennett	Himle	Minne	Quist	Staten
Bergstrom	Hoffman	Munger	Redalen	Swanson
Blatz	Jacobs	Murphy	Reif	Tomlinson
Boo	Jensen	Nelson, D.	Riveness	Valan
Brandl	Johnson	Nelson, K.	Rodriguez, C.	Vanasek
Burger	Kahn	Norton	Rodriguez, F.	Vellenga
Carlson, L.	Kelly	O'Connor	Rose	Voss
Clark, J.	Knickerbocker	Olsen	Sarna	Waltman
Clark, K.	Knuth	Omann	Scheid	Welle
Clawson	Kostohryz	Onnen	Schoenfeld	Wenzel
Cohen	Larsen	Osthoff	Schreiber	Wynia
Coleman	Levi	Otis	Seaberg	Speaker Sieben
Elioff	Long	Pauly	Segal	
Ellingson	Mann	Peterson	Shaver	
Greenfield	Marsh	Piepho	Shea	

Those who voted in the negative were:

Anderson, R.	Erickson	Jennings	Schafer	Uphus
Bishop	Evans	Kalis	Solberg	Valento
Carlson, D.	Findlay	Krueger	Sparby	Welker
Dempsey	Fjoslien	Kvam	Stadum	Wigley
DenOuden.	Frerichs	Ludcman	Sviggum	Zaffke
Dimler	Graba	Ogren	Thiede	
Eken	Haukoos	St. Onge	Tunheim	

The motion prevailed.

There being no objection the order of business reverted to Introduction and First Reading of House Bills.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Wynia and Greenfield introduced:

H. F. No. 2187, A bill for an act relating to medical assistance; changing responsibilities of screening teams for mentally retarded services; amending Minnesota Statutes 1983 Supplement, section 256B.092, subdivision 7.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Eken introduced:

H. F. No. 2188, A bill for an act relating to Indians; providing for partial settlement of Indian land claims on the White Earth Reservation; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Tunheim introduced:

H. F. No. 2189, A resolution memorializing the International Joint Commission, the President and Congress to effectuate an agreement between Minnesota and Ontario on joint management of their border waters.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Knuth, Osthoff, Norton, Cohen and Reif introduced:

H. F. No. 2190, A bill for an act relating to Ramsey County; providing for the creation, organization, powers and duties of a personnel system; amending Minnesota Statutes 1982, section 383A.41, subdivision 5; proposing new law coded in Minnesota Statutes, chapter 383A; repealing Minnesota Statutes 1982, sections 383A.28, as amended; 383A.29; 383A.30; and 383A.31.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Thursday, March 29, 1984. 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., Thursday, March 29, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-THIRD SESSION - 1984

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SIXTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 28, 1984

The Senate met on Wednesday, March 28, 1984, which was the Sixty-eighth Legislative Day of the Seventy-third Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.





## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SIXTY-NINTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 29, 1984

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 Ray Peterson, Gethsemane Lutheran Church, Hopkins, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Ellingson	Kostohryz	Pauly	Simoneau
Anderson, G.	Erickson	Krueger	Peterson	Skoglund
Anderson, R.	Evans	Kvam	Piepho	Solberg
Battaglia	Findlay	Larsen	Piper	Sparby
Beard	Fjoslien	Levi	Price	Stadum
Begich	Forsythe	Long	Quinn	Staten
Bennett	Frerichs	Ludeman	Quist	Swiggum
Bergstrom	Graba	Mann	Redalen	Swanson
Bishop	Greenfield	Marsh	Reif	Thiede
Blatz	Gruenes	McDonald	Rice	Tomlinson
Boo	Gustafson	McEachern	Riveness	Turheim
Brandl	Gutknecht	McKasy	Rodosovich	Uphus
Brinkman	Haukoos	Metzen	Rodriguez, C.	Valan
Burger	Heap	Minne	Rodriguez, F.	Valento
Carlson, D.	Heinitz	Munger	Rose	Vellenga
Carlson, L.	Himle	Murphy	St. Onge	Waltman
Clark, J.	Hoffman	Nelson, D.	Sarna	Welch
Clark, K.	Hokr	Nelson, K.	Schafer	Welker
Clawson	Jacobs	Neuenschwander	Scheid	Welle
Cohen	Jennings	Norton	Schoenfeld	Wenzel
Coleman	Jensen	O'Connor	Schreiber	Wigley
Dempsey	Johnson	Ogren	Seaberg	Zaffke
DenOuden	Kalis	Olsen	Segal	Speaker Sieben
Dimler	Kelly	Omann	Shaver	
Eken	Knickerbocker	Onnen	Shea	
Elioff	Knuth	Osthoff	Sherman	

A quorum was present.

Halberg, Hoberg, Kahn, Otis, Vanasek and Voss were excused.

Wynia was excused until 3:35 p.m.

The Chief Clerk proceeded to read the Journals of the preceding day. Osthoff 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. 1032, 1153, 1421, 1532, 347, 1620, 1652, 1668, 1700, 1703, 1722, 1781, 1843, 1944, 1999, 1345, 1420, 1425, 1509, 1527, 1663, 1670, 1824, 1859, 1916, 1937, 1939, 1981 and 432 and S. F. Nos. 1350 and 1562 have been placed in the members' files.

S. F. No. 1350 and H. F. No. 1504, 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. 1350 be substituted for H. F. No. 1504 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 585, A bill for an act relating to commerce; art; regulating the sale of fine prints; providing sales and advertising disclosures; prescribing penalties; defining terms; proposing new law coded as Minnesota Statutes, chapter 324.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [324.01] [DEFINITIONS.]

*As used in sections 1 to 5:*

(1) *"artist" means the person who conceived or created the master image for, or which served as model for, the print;*

(2) *"catalog" means an advertising medium published by a single individual or firm which solicits consumers to order fine prints through the mail or by telephone. Magazines, circulars, and newspapers are not considered catalogs;*

(3) *"edition" means the number of fine prints made from the plate or negative during a single run;*

(4) *"fine print" or "print" means the product created by an artist by a process commonly used in graphic or photographic arts, including, but not limited to, engraving, etching, wood-cutting, lithography, serigraphy, or photography;*

(5) "impression" means the printed image on suitable material, whether paper or any other substance, made off the plate or negative by printing, stamping, casting, developing, or any other process commonly used in the graphic or photographic arts;

(6) "plate" includes any plate, stone, block, or other material created by the artist, used for the purpose of creating the print from which the impression or impressions were taken;

(7) "negative" includes any negative, photographic plate, slide, or other material created by the artist and used for the purpose of creating the print from which the impression or impressions were taken;

(8) "reproduction" means a copy of an original or a copy of a print made by a commercial mechanical process; and

(9) "signed fine print" means a fine print autographed by the artist, irrespective of whether it was signed or unsigned in the plate or negative.

## Sec. 2. [324.02] [EXCEPTIONS.]

Sections 1 to 5 do not apply to:

(1) prints which are printed prior to the effective date of sections 1 to 5; or

(2) prints which are not offered for sale by means of a catalog and which are not alleged to be numbered or limited editions and signed by the artist; or clearly and conspicuously described as reproductions; and

(3) prints which are sold or offered at a price less than \$250.

## Sec. 3. [324.03] [ACTS PROHIBITED; DISCLOSURE STATEMENTS.]

*Subdivision 1. [ADVERTISING DISCLOSURES.] No catalog offering fine prints for sale in this state shall be knowingly published or distributed, or both, unless it clearly and conspicuously discloses the relevant informational detail as required by section 4 concerning each edition of the prints so offered or states that the relevant information is available on request.*

*Subd. 2. [ADVERTISING DISCLAIMER.] If the person offering fine prints by means of a catalog disclaims knowledge as to any relevant detail referred to in section 4, that person shall so state the information is unknown or not available.*

*Describing the edition as an edition of "reproauctions" eliminates the need to furnish further informational details unless the edition was allegedly published in a numbered, or limited edition, and signed by the artist, in which case all of the informational details are required to be furnished.*

*Subd. 3. [SALES DISCLOSURES.] No fine print may be knowingly sold in this state by any person unless a written invoice or receipt for the purchase price or a certificate furnished to the purchaser clearly and conspicuously discloses all of the relevant informational details required under section 4; or the seller states or clearly and conspicuously posts that the relevant information is available on request.*

*Subd. 4. [SALES DISCLAIMER.] If the seller disclaims knowledge as to any relevant detail referred to in section 4, he or she shall so state the information is unknown or not available. Describing the print as a "reproduction" eliminates the need to furnish information details unless it was allegedly published in a numbered, or limited edition, and signed by the artist, in which case all of the informational details are required to be furnished.*

#### Sec. 4. [324.04] [INFORMATIONAL DETAIL.]

*The following informational detail is required under section 3:*

*(1) the name of the artist and the year when the fine print was printed;*

*(2) the authorized maximum number of artist's, publisher's, printer's, or other proofs, if any, outside of the regular edition and the total size of the edition;*

*(3) Whether the plate or negative has been destroyed, altered, or defaced, after the latest edition;*

*(4) if there were any prior fine prints of the same impression, utilizing a different process, paper, media, or color, the total number of the fine prints and designation of the fine prints;*

*(5) if there were any prior or later editions from the same plate or negative.*

#### Sec. 5. [324.05] [LIABILITY.]

*(a) Any person who sells a fine print and who fails to disclose the information required by section 4 is liable to the purchaser thereof in an amount equal to the purchase price of the fine print, including any sales tax paid.*

(b) *In addition to the liability imposed by paragraph (a), a person who sells a fine print and who wilfully provides false information required by section 4 is liable to the purchaser in the amount of \$1,000 or in an amount equal to three times the purchase price of the fine print, whichever is greater.*

(c) *No action can be maintained to enforce any liability under this section unless the person who is injured by the failure to disclose returns the fine print in original condition to the person violating the provisions of paragraph (a) or (b) and the action is brought within one year after discovery of the violation upon which it is based and in no event more than three years after the fine print was sold."*

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1180, A bill for an act relating to local government; requiring notice of and hearings on increases in certain license fees; proposing new law coded in Minnesota Statutes, chapter 471.

Reported the same back with the following amendments:

Page 1, lines 10 and 11, delete "*engage in a business or commercial activity*" and insert "*own or operate a vending machine or to dispense goods or services therefrom*"

Page 1, line 14, before the period insert "*, excluding Saturdays, Sundays, and legal holidays*"

Page 1, line 15, delete everything after "*charter*"

Page 1, line 16, delete everything before the period

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1264, A bill for an act relating to commerce; regulating pipefitters and pipefitting; regulating pressure vessels;

amending Minnesota Statutes 1982, sections 183.56; 326.46; 326.47; 326.48; 326.49; and 326.50.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 326.46, is amended to read:

**326.46 [DEPARTMENT OF LABOR AND INDUSTRY TO SUPERVISE (STEAM) PIPING.]**

The department of labor and industry shall supervise all high pressure (STEAM) piping (IN CONNECTION WITH ALL BUILDING) *used on all projects* in this state, and may prescribe minimum standards which shall be uniform.

The department shall employ inspectors and other assistants to carry out the provisions of sections 326.46 to 326.52.

**Sec. 2. [326.461] [DEFINITIONS.]**

*Subdivision 1. [SCOPE.] For the purpose of sections 1 to 6, the following terms have the meanings given them.*

*Subd. 2. [HIGH PRESSURE PIPING.] “High pressure piping” means all high pressure piping used in the installation of hot water or steam heating boilers, any systems of piping hot water for heating or chilled water for cooling, or any system of high pressure steam piping, but shall not include any high pressure piping under the direct jurisdiction of the United States.*

*Subd. 3. [MUNICIPALITY.] “Municipality” means a statutory or home rule charter city.*

Sec. 3. Minnesota Statutes 1982, section 326.47, is amended to read:

**326.47 [(CITY MAY PROVIDE FOR INSPECTION; PERMIT) APPLICATION, PERMIT, FILING, AND INSPECTION FEES.]**

(ANY CITY MAY, BY ORDINANCE, PRESCRIBE RULES AND REGULATIONS FOR MATERIALS, CONSTRUCTION, AND INSPECTION OF HIGH PRESSURE STEAMFITTING AND PROVIDE THAT IT SHALL NOT BE INSTALLED IN ANY BUILDING EXCEPT IN ACCORDANCE WITH PLANS APPROVED OR PROVIDED IN THE ORDINANCES.

AND THAT NO STEAMFITTING SHALL BE DONE EXCEPT MINOR REPAIRS UPON PRESCRIBED CONDITIONS.)

(SUCH LOCAL AUTHORITY AS MAY BE DESIGNATED BY ANY SUCH ORDINANCE FOR THE ISSUANCE OF SUCH STEAMFITTING PERMITS AND SUCH APPROVED PLANS SHALL REPORT TO THE DEPARTMENT OF LABOR AND INDUSTRY PERSISTENT OR WILFUL VIOLATIONS OF THE SAME AND ANY INCOMPETENCY OF A LICENSED STEAMFITTER OBSERVED BY SUCH LOCAL AUTHORITY.)

*Subdivision 1. [REQUIRED PERMIT.] No person, firm, or corporation shall construct or install high pressure piping systems without first filing an application for a permit with the department of labor and industry or a municipality that has complied with subdivision 2. Projects under construction prior to August 1, 1984, are not required to obtain a permit.*

*Subd. 2. [PERMISSIVE MUNICIPAL REGULATION.] A municipality may, by ordinance, prescribe rules for materials, construction, and inspection of high pressure piping systems and provide that it shall not be constructed or installed except in accordance with plans approved by the municipality or as provided in the ordinance. The authority designated by the ordinance for issuing high pressure piping permits and approving plans must report to the department of labor and industry all violations of state high pressure piping standards.*

*A municipality may not adopt an ordinance with high pressure piping standards that does not conform to the minimum uniform standards prescribed by the department of labor and industry. The department of labor and industry shall specify by rule the minimum qualifications for municipal inspectors.*

*Subd. 3. [SURCHARGE.] For the purpose of defraying the cost of administering sections 326.46 to 326.48, there is imposed on all municipalities except cities of the first class, that issue high pressure piping permits a surcharge on the filing fees, inspection fees and permits issued after December 31, 1984, in connection with the construction or installation of high pressure piping systems. If the filing, permit, or inspection fee is a fixed amount the surcharge shall be two percent of the filing fees collected or \$10, whichever is greater. If fees are not a fixed amount, the surcharge shall be two percent of the filing fees collected or \$2,000, whichever amount is lesser.*

*Subd. 4. [COLLECTION AND REPORTS.] Fee surcharges must be collected by each municipality. A municipality having a population greater than 20,000 people must prepare and submit quarterly to the commissioner a report of fees and surcharges*



*collected during the previous quarter. All other municipalities must submit reports and surcharges on a semiannual basis. The reports must be in a form prescribed by the commissioner and submitted together with a remittance covering surcharges collected. The report and surcharge are due by no later than the 15th day following the close of the period for which surcharges are being reported.*

*Subd. 5. [REPORTING OF PERMITS ISSUED.] Each municipality must submit to the department of labor and industry a copy of each permit issued within ten days after issuance.*

*All permits must be issued on forms prescribed by or approved by the department of labor and industry.*

*Subd. 6. [FILING AND INSPECTION FEES.] The department of labor and industry must charge a filing fee set by the commissioner under section 16A.128 for all applications for permits to construct or install high pressure piping systems. The fee for inspection of high pressure piping system construction or installation shall be set by the commissioner under section 16A.128. This subdivision does not apply where a permit is issued by a municipality complying with subdivision 2.*

Sec. 4. Minnesota Statutes 1982, section 326.48, is amended to read:

**326.48 [(STEAMFITTERS) PIPEFITTERS MUST BE LICENSED.]**

Subdivision 1. No person, firm, or corporation shall engage in or work at the business of a contracting (STEAMFITTER) pipefitter or journeyman (STEAMFITTER) pipefitter unless licensed to do so by the department of labor and industry. (NO LICENSE SHALL BE REQUIRED FOR MINOR REPAIRS ON EXISTING INSTALLATIONS, PROVIDED THE REPAIRS SHALL BE MADE IN COMPLIANCE WITH THE PRESCRIBED MINIMUM STANDARDS OF THE DEPARTMENT OF LABOR AND INDUSTRY.) A contracting (STEAMFITTER) pipefitter may also work as a journeyman (STEAMFITTER) pipefitter.

No person, firm, or corporation shall engage in the business of installing high pressure (STEAM) piping, nor install high pressure (STEAM) piping in connection with the dealing in and selling of high pressure (STEAM) pipe material and supplies, unless, at all times, a licensed (STEAMFITTER) pipefitter, who shall be responsible for proper installation, is in charge of the high pressure (STEAMFITTING) pipefitting work of the person, firm, or corporation.

The department of labor and industry shall prescribe rules, not inconsistent herewith, for the examination and licensing of (STEAMFITTING) *pipefitting*.

An employee performing the duties of inspector for the department of labor and industry in regulating (STEAMFITTING) *pipefitting* shall not receive time credit for the inspection duties when making an application for a license required by this section.

Subd. 2. [CONTRACTING (STEAMFITTER'S) *PIPEFITTER'S LICENSE*; BOND AND INSURANCE REQUIREMENTS.] The applicant for a contracting (STEAMFITTER) *pipefitter* license may give bond to the state in the total penal sum of \$2,000 conditioned upon the faithful and lawful performance of all work entered upon by him within the state. The bond shall be for the benefit of persons injured or suffering financial loss by reason of failure of performance. The term of the bond shall be concurrent with the term of the license. The bond shall be filed with the secretary of state of the state and shall be in lieu of all other license bonds to any political subdivision. The bond shall be written by a corporate surety licensed to do business in the state.

In addition, each applicant for a contracting (STEAMFITTER'S) *pipefitter's* license or renewal thereof, may provide evidence of public liability insurance, including products liability insurance, with limits of at least \$50,000 per person and \$100,000 per occurrence and property damage insurance with limits of at least \$10,000. The insurance shall be written by an insurer licensed to do business in the state and each licensed contracting (STEAMFITTER) *pipefitter* shall maintain on file with the department, a certificate evidencing the insurance which provides that the insurance shall not be cancelled without the insurer first giving 15 days written notice to the department. The term of the insurance shall be concurrent with the term of the license. The certificate shall be in lieu of all other certificates required by any political subdivision for licensing purposes.

Subd. 3. [BOND AND INSURANCE EXEMPTION.] A contracting (STEAMFITTER) *pipefitter* who is an employee of a contracting (STEAMFITTER) *pipefitter* or who is an employee engaged within the limits of property owned, leased and operated, or maintained by (HIS) *the* employer, in the maintenance (AND REPAIR) of high pressure (STEAM) *pipe* work, equipment, or facilities owned or leased by the employer, shall not be required to meet the bond and insurance requirements of subdivision 2.

Subd. 4. [ALTERNATIVE COMPLIANCE.] Compliance with the local bond requirements of a locale within which work is to be performed shall be deemed to satisfy the bond and insurance requirements of subdivision 2.

Subd. 5. [FEE.] The state department of labor and industry may charge each applicant for a contracting (STEAMFITTER) *pipefitter* license or for a renewal of a contracting (STEAMFITTER) *pipefitter* license and an additional fee commensurate with the cost of administering the bond and insurance requirements of subdivision 2.

Sec. 5. Minnesota Statutes 1982, section 326.50, is amended to read:

326.50 [APPLICATION; FEES.]

Application for a (STEAMFITTER'S) *pipefitter's* license shall be made to the department of labor and industry, with fees. Unless entitled to a renewal, the applicant shall be licensed only after passing a satisfactory examination by the examiners showing fitness. Fees for journeymen (SHALL BE \$25) for examination and (\$15 FOR) renewal, and for master (STEAMFITTERS \$75) *pipefitters* for examination and (\$60 FOR) renewal shall be set by the commissioner under section 16A.128. Licenses shall expire December 31, but may be renewed upon application made the following January or February; but, if in February, only upon payment of an additional fee (OF \$5) set by the commissioner under section 16A.128.

*The commissioner may issue a temporary license to a qualified individual with specific skills that a contractor or employer requires to construct or install a high pressure piping system. A temporary license must be renewed every 12 months. No individual may hold a temporary license for high pressure pipefitting for more than 36 months. The fee for a temporary license and for renewal of a temporary license shall be set by the commissioner under section 16A.128.*

Sec. 6. [175.008] [CODE ENFORCEMENT ADVISORY COUNCIL; CREATION.]

*The commissioner shall appoint an 11 member advisory council on code enforcement. The terms, compensation, and removal of council members is governed by section 15.059. The council shall not expire as provided by section 15.059. The council shall advise the commissioner on matters within the council's expertise or under the regulation of the commissioner.*

Sec. 7. [REPEALER.]

*Minnesota Statutes 1982, section 326.49, is repealed."*

Delete the title and insert:

"A bill for an act relating to commerce; regulating pipefitters and pipefitting; regulating pressure vessels; amending

Minnesota Statutes 1982, sections 326.46; 326.47; 326.48; and 326.50; proposing new law coded in Minnesota Statutes, chapters 175 and 326; repealing Minnesota Statutes 1982, section 326.49."

With the recommendation that when so amended the bill pass as be re-referred to the Committee on Governmental Operations.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1273, A bill for an act relating to retirement; salaried firefighters relief associations; providing vesting upon layoff in certain instances; proposing new law coded in Minnesota Statutes, chapter 423A.

Reported the same back with the following amendments:

Page 1, line 11, after "off" insert "*and replaced with a volunteer firefighter*"

Page 2, line 5, delete "*the day following final enactment*" and insert "*retroactively to July 1, 1981*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1325, A bill for an act relating to county law libraries; permitting the appointment of a nonlawyer to the library board; amending Minnesota Statutes 1982, section 140.36, subdivision 1.

Reported the same back with the following amendments:

Page 2, delete lines 3 and 4

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1404, A bill for an act relating to drainage; providing for correction of certain errors in county or judicial ditch benefits; amending Minnesota Statutes 1982, section 106.465.

Reported the same back with the following amendments:

Page 1, line 13, delete "50" and insert "51"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1418, A bill for an act relating to the town of Blue Hill; allowing the town to exercise certain powers.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1436, A bill for an act relating to education; deleting the prohibition against rules requiring secondary vocational programs; clarifying some duties of the state boards of education, and vocational education; amending Minnesota Statutes 1982, section 124.573, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 19, strike ", but" and insert ". *The rules*"

Page 1, line 20, strike "program offerings or"

Page 2, line 5, after the stricken period, insert "*The state board of education shall not require a school district to offer more than four credits or 480 hours of vocational education course offerings in any school year.*"

Page 2, line 11, strike "vocational"

Page 2, after line 11, insert:

"Sec. 2. [REPORT TO LEGISLATURE.]

*If the state board of education adopts rules requiring school districts to offer secondary vocational education courses, the state board shall submit a report to the education committees of the legislature by January 15, 1985. The report shall discuss the fiscal impact on the school districts and the impact on a school district's ability to offer other academic elective courses as a result of adopting a rule requiring school districts to offer secondary vocational education."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1445, A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1446, A bill for an act relating to commerce; consumer protection; requiring the repair, refund, or replacement of new motorcycles under certain circumstances; amending Minnesota Statutes 1983 Supplement, section 325F.665, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1466, A bill for an act relating to courts; providing procedures for collection of conciliation court judgments; requir-

ing conciliation court clerks to explain procedures of conciliation court to litigants and to assist them in filling out forms; amending Minnesota Statutes 1982, sections 418A.13, subdivision 2; 418A.16, subdivision 8; 487.30, by adding subdivisions; 488A.30, subdivision 2; and 488A.33, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 487.30, is amended by adding a subdivision to read:

*Subd. 5. [SATISFACTION OF JUDGMENT.] If (1) a conciliation court judgment has been docketed in county court for a period of at least 30 days, (2) the judgment is not satisfied, and (3) the parties have not otherwise agreed, the county court shall, upon the request of the judgment creditor, order the judgment debtor to mail to the judgment creditor information as to the nature, amount, identity, and location of all his assets, liabilities, and personal earnings. The information shall be provided on a form prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that he considers to be exempt from execution or garnishment. The order shall contain a notice that failure to complete the form and mail it to the judgment creditor within ten days after service of the order may result in a citation for contempt of court unless the judgment is satisfied prior to the expiration of that period. A judgment debtor who intentionally fails to comply with the order of the court may be cited for civil contempt of court.*

Sec. 2. Minnesota Statutes 1982, section 487.30, is amended by adding a subdivision to read:

*Subd. 6. [CLERK'S DUTIES.] Under the supervision of the conciliation court judges, the clerk shall explain to litigants the procedures and functions of the conciliation court and shall assist them in filling out all forms and pleadings necessary for the presentation of their claims or counterclaims to the court. The clerk shall assist judgment creditors and judgment debtors in the preparation of the forms necessary to obtain satisfaction of a final judgment. The performance of duties described in this subdivision shall not constitute the practice of law.*

Sec. 3. Minnesota Statutes 1982, section 483A.13, subdivision 2, is amended to read:

Subd. 2. [CLERK OF MUNICIPAL COURT; DUTIES; RECORDS.] (a) The clerk of the municipal court shall serve as the clerk of the conciliation court. He shall delegate deputy clerks of the municipal court to assist him in performing his duties under (THIS ACT) sections 488A.12 to 488A.17. The clerk shall keep (SUCH) the records and accounts and perform (SUCH) other duties (AS MAY BE) prescribed by the judges. He shall account for and pay over to the county of Hennepin all fees received by him in the same fashion as required in his capacity as clerk of municipal court.

*Under the supervision of the conciliation court judges, the clerk shall explain to litigants the procedures and functions of the conciliation court and shall assist them in filling out all forms and pleadings necessary for the presentation of their claims or counterclaims to the court. The clerk shall assist judgment creditors and judgment debtors in the preparation of the forms necessary to obtain satisfaction of a final judgment. The performance of duties described in this subdivision shall not constitute the practice of law.*

(b) The clerk may, upon the consent of all the judges of municipal court of the county of Hennepin, destroy or dispose of all the following files and records of (SAID) the court, which have been on file for more than 20 years:

- (1) Complaint files;
- (2) Transcript receipts;
- (3) Cash receipt books;
- (4) Cancelled checks.

Sec. 4. Minnesota Statutes 1982, section 488A.16, subdivision 8, is amended to read:

Subd. 8. [DOCKETING AND ENFORCEMENT IN MUNICIPAL COURT.] When a judgment has become finally effective under subdivision 2, the judgment creditor may obtain a transcript of the judgment from the clerk of conciliation court on payment of a fee of fifty cents (THEREFOR) and file it with the clerk of the municipal court of the county of Hennepin. After filing of the transcript, the judgment becomes, and is enforceable as, a judgment of the municipal court. No writ of execution or garnishment summons may be issued out of conciliation court. *If (1) a conciliation court judgment has been docketed as a municipal court judgment for a period of at least 30 days, (2) the judgment is not satisfied, and (3) the parties have not otherwise agreed, the municipal court shall, upon the request of the judgment creditor, order the judgment debtor to mail to the judgment creditor information as to the nature, amount, identity, and*



*location of all his assets, liabilities, and personal earnings. The information shall be provided on a form prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that he considers to be exempt from execution or garnishment. The order shall contain a notice that failure to complete the form and mail it to the judgment creditor within ten days after service of the order may result in a citation for contempt of court unless the judgment is satisfied prior to the expiration of that period. A judgment debtor who intentionally fails to comply with the order of the court may be cited for civil contempt of court.*

Sec. 5. Minnesota Statutes 1982, section 488A.30, subdivision 2, is amended to read:

Subd. 2. [ADMINISTRATOR, DUTIES.] The administrator of the municipal court shall serve as the administrator of the conciliation court. He shall delegate necessary employees of the municipal court to assist him in performing his duties under (THIS ACT) sections 488A.29 to 488A.34. The administrator shall keep (SUCH) the records and accounts and perform (SUCH) other duties (AS MAY BE) prescribed by the judges. He shall account for and pay over to the county of Ramsey all fees received by him in the same fashion as required in his capacity as administrator of municipal court.

*Under the supervision of the conciliation court judges, the administrator of the conciliation court shall explain to litigants the procedures and functions of the conciliation court and shall assist them in filling out all forms and pleadings necessary for the presentation of their claims or counterclaims to the court. The administrator shall assist judgment creditors and judgment debtors in the preparation of the forms necessary to obtain satisfaction of a final judgment. The performance of duties described in this subdivision shall not constitute the practice of law.*

Sec. 6. Minnesota Statutes 1982, section 488A.33, subdivision 7, is amended to read:

Subd. 7. [DOCKETING AND ENFORCEMENT IN MUNICIPAL COURT.] When a judgment has become final under subdivision 2, the judgment creditor may obtain a transcript of the judgment from the administrator of conciliation court and file it with the administrator of the municipal court upon payment of the filing fees as prescribed for the municipal court.

After filing of the transcript, the judgment becomes, and is enforceable as, a judgment of the municipal court. A transcript of a judgment payable in installments may not be (SO) obtained and filed until 20 days after default in the payment of an installment. No writ of execution nor garnishment summons may be issued out of conciliation court. *If (1) a transcript of a judgment has been filed for a period of at least 30 days, (2) the judgment is not satisfied or an installment of it remains overdue, and (3) the parties have not otherwise agreed, the municipal court shall, upon the request of the judgment creditor, order the judgment debtor to mail to the judgment creditor information as to the nature, amount, identity, and location of all his assets, liabilities, and personal earnings. The information shall be provided on a form prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that he considers to be exempt from execution or garnishment. The order shall contain a notice that failure to complete the form and mail it to the judgment creditor within ten days after service of the order may result in a citation for contempt of court unless the judgment is satisfied prior to the expiration of that period. A judgment debtor who intentionally fails to comply with the order of the court may be cited for civil contempt of court."*

Amend the title as follows:

Page 1, line 7, delete "418A.13" and insert "488A.13" and delete "418A.16" and insert "488A.16"

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1507, A bill for an act relating to taxation; deed tax; exempting certain partitions; amending Minnesota Statutes 1982, section 287.22.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1533, A bill for an act relating to health; authorizing the board of dentistry to adopt rules relating to special training and education of dentists; amending Minnesota Statutes 1982, section 150A.04, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 16, delete "*in addition to that which is required for*" and insert "*by*"

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. 1550, A bill for an act relating to retirement; public employees retirement association; vesting period for certain public hospital employees; amending Minnesota Statutes 1982, section 353.34, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1553, A bill for an act relating to metropolitan government; prescribing the authority of watershed management organizations; providing procedures for boundary changes and termination of watershed districts; amending Minnesota Statutes 1982, sections 473.877 and 473.878, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 473.876, subdivision 9, is amended to read:

Subd. 9. [WATERSHED MANAGEMENT ORGANIZATION.] "Watershed management organization" or "organiza-

tion" means a watershed district wholly within the metropolitan area or a joint powers entity established wholly or partly within the metropolitan area by special law or by agreement (WHICH) that performs some or all of the functions of a watershed district for a watershed and (WHICH) that has the characteristics and the authority specified under section 473.877. Lake improvement or conservation districts are not watershed management organizations.

Sec. 2. Minnesota Statutes 1982, section 473.877, is amended to read:

**473.877 [JOINT POWERS 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 in a watershed delineated pursuant to subdivision 2, as required by sections 473.875 to 473.883, may provide, in addition to other provisions authorized by section 471.59, for a joint board having:

(a) the authority to prepare (AND), adopt, and implement a plan for the watershed meeting the requirements of section 473.878;

(b) the authority to review and approve local water management plans as provided in section 473.879;

(c) the authority of a watershed district under chapter 112 to regulate the use and development of land in the watershed when one or more of the following conditions exists: (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 473.879 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) the authority of a watershed district under section 112.65 to accept the transfer of drainage systems in the watershed, to repair, improve, and maintain the transferred drainage systems, and to construct all new drainage systems and improvements of existing drainage systems in the watershed, provided that projects may be carried out under the powers granted in chapter 106, 112, or 473 and that proceedings of the board with respect to the systems must be in conformance with the watershed plan adopted under section 473.878; and

(e) 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 473.878, 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 473.875 to 473.883. The board shall have 60 days to comment.

Subd. 3. [JURISDICTION OVER NONMEMBERS.] A watershed management organization established by agreement pursuant to subdivision 1 may exercise the authority provided in the agreement throughout the watershed delineated, including territory in statutory and home rule charter cities and towns that are not members of the organization, if the cities and towns that are not members consent to the exercise of authority within their jurisdictions and if the membership of the organization includes:

(a) the county or counties having jurisdiction over all of the territory of the watershed that is within the cities and towns that are not members of the organization; and

(b) either cities and towns having jurisdiction over at least 50 percent of the land area of the watershed and comprising at least three-quarters of all of the cities and towns having territory in the watershed, or cities and towns having jurisdiction over at least 75 percent of the land area of the watershed.

The county or counties identified in clause (a) are responsible for watershed management activities, and, for this purpose, may exercise authority under sections 473.875 to 473.883, in and for the consenting cities and towns that are not members of the organization.

Sec. 3. [473.8771] [WATERSHED DISTRICTS; BOUNDARY CHANGE; TERMINATION.]

Subdivision 1. [BOUNDARY CHANGE.] The boundaries of a watershed district wholly within the metropolitan area may be changed pursuant to this subdivision or chapter 112. The governing board of a watershed management organization may petition the water resources board for an order changing the boundaries of a watershed district wholly within the metropolitan area, either by adding new territory to the district or by transferring territory that is within the district to the jurisdiction of another watershed management organization. The petition must:

(a) describe with particularity the change in boundary requested, the territory affected, and the reasons for the change;

(b) show that the change is consistent with the purposes and requirements of sections 473.875 to 473.883; and

(c) identify any property subject to subdivision 3. The petition must be accompanied by a written statement of concurrence in the petition from the governing body of each statutory or home rule charter city and town and each watershed management organization having jurisdiction over the territory proposed to be added or transferred. Upon the filing of a sufficient petition, the water resources board shall give notice of the filing of the petition by publication once each week for two successive weeks in a legal newspaper in each county affected and by mail to the county auditor of each county affected and to the chief official of each statutory or home rule charter city and township affected. The notice must describe the action proposed by the petition and invite written comments on the petition for consideration by the board. The notice must announce that any person who objects to the action proposed in the petition may submit a written request for hearing to the board within 20 days of the last publication of the notice of the filing of the petition and that if no timely request for hearing is received, the board will make a decision on the petition pursuant to this subdivision without conducting the public hearing required under chapter 112. If no timely request for hearing is received, the board shall make a decision on the petition without a hearing within 30 days after the last publication of the notice. If one or more timely requests for hearing are received, the board shall hold a hearing on the petition and shall follow the procedures in chapter 112 regarding notice and conduct of hearings. After completing the procedures required by this subdivision, the board shall, by its findings and order, make the boundary change requested if the board determines that:

(a) the governing body of each statutory or home rule charter city and town and each watershed management organization having jurisdiction over the territory proposed to be added or transferred concurs in the petition,

(b) the change is consistent with the purposes and requirements of sections 473.875 to 473.883, and

(c) the change can be accomplished in conformance with subdivision 3.

The board shall file a certified copy of the findings and order with the secretary of state. The order making the change must conform to subdivision 3. The order making the change may amend the order prescribing the distribution of managers of the district.

*Subd. 2. [TERMINATION.] A watershed district wholly within the metropolitan area may be terminated pursuant to this subdivision or chapter 112. Proceedings for termination under this subdivision must be initiated by a petition to the water resources board filed jointly by the governing bodies of all statutory and home rule charter cities and towns having jurisdiction over territory within the watershed. Upon the filing of a sufficient petition, the board shall hold a hearing in accordance with the procedures prescribed in chapter 112, to take testimony on the determinations required to be made by the board. Following the hearing, the board shall, by its findings and order, terminate the district as requested if the board determines:*

*(a) that the local units of government having jurisdiction over territory within the watershed have formed a joint powers organization for the watershed pursuant to section 473.877,*

*(b) that upon termination of the district the members of the joint powers organization, jointly or severally, are willing and able to assume ownership of the district's assets and the responsibility for managing and maintaining the district's projects as necessary to accomplish the purposes of sections 473.875 to 473.883 and to implement the watershed plan of the joint powers organization to be developed pursuant to section 473.878, and*

*(c) that the termination can be accomplished in conformance with subdivision 3.*

*The board shall file a certified copy of the findings and order with the secretary of state. The order terminating the district must transfer the assets of the district to the joint powers organization or its members. The order must conform to subdivision 3.*

*Subd. 3. [LIMITATION.] The addition or transfer of property or termination of a district pursuant to this section must not affect the benefits or damages for any improvement previously constructed by the district having jurisdiction over the property before the board's order. The property affected is and remains liable for its proper share of any outstanding indebtedness of the watershed district applying to the property before the board's order, and levies and assessments for the indebtedness continue in force until the debt is fully paid. In order to satisfy the requirements of this subdivision, the board may prescribe conditions on the boundary change or termination or may prescribe a later effective date for the termination of specified powers of a watershed district.*

*Sec. 4. Minnesota Statutes 1982, section 473.878, is amended by adding a subdivision to read:*

*Subd. 1a. [OPTIONAL PARTICIPATION.] Local government units, within or outside of the metropolitan area, having territory that is not subject to the requirements of this section but that is within a watershed part of which is subject to the requirements of this section, may enter into an agreement under section 473.877. A local government unit that enters into an agreement under this subdivision has the duties imposed and the authority granted in sections 473.875 to 473.883.*

Sec. 5. Minnesota Statutes 1982, section 473.878, subdivision 2, is amended to read:

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) *July 1, 1985*, for any minor watershed unit located wholly outside of Hennepin and Ramsey counties, the county or counties containing the watershed unit shall prepare (AND), adopt and implement the watershed plan and (SHALL HAVE) *for this purpose the county or counties have the planning, review, (AND) permitting, and financing authority of a watershed management organization specified in (SECTION) sections 473.877 to 473.883.* If a watershed management organization is not established by (DECEMBER 31, 1983) *July 1, 1985*, for any minor watershed unit within the metropolitan area and wholly or partly within Hennepin or Ramsey counties, the county or counties containing the watershed unit 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, shall 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. 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.

Sec. 6. Minnesota Statutes 1982, section 473.878, subdivision 3, is amended to read:

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 473.875 to 473.883, 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) *not later than December 31, 1986*. Existing plans of a watershed management organization shall remain in force and effect until amended or superseded by plans adopted under sections 473.875 to 473.883. Existing or amended plans of a watershed management organization which meet the requirements of sections 473.875 to 473.883 may be submitted for review under subdivision 5.

Sec. 7. Minnesota Statutes 1982, section 473.878, subdivision 4, is amended to read:

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, *including any drainage systems previously constructed under chapter 106*, 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 the effect of the plan on existing drainage systems;*

((E)) (f) Describe conflicts between the watershed plan and existing plans of local government units;

((F)) (g) 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)) (h) Set out a procedure for amending the plan.

Sec. 8. Minnesota Statutes 1982, section 473.882, subdivision 1, is amended to read:

Subdivision 1. [WATERSHED MANAGEMENT TAX DISTRICT.] Any local government unit planning for water management under sections 473.878 and 473.879 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 473.878 and 473.879. Any local government unit which has part of its territory within a watershed for which a plan has been adopted in accordance with section 473.878 and which has a local water management plan adopted in accordance with section 473.879 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. *A county or counties required by section 473.878, subdivision 2, to prepare, adopt, and implement a watershed plan may apportion the costs of planning, capital improvements, and maintenance among the minor watershed units in the watershed, or among the statutory and home rule charter cities having territory in the watershed, and for this purpose may establish more than one watershed management tax district in the watershed.*

Sec. 9. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*

Delete the title and insert:

“A bill for an act relating to metropolitan government; prescribing the authority of watershed management organizations and local government units; providing procedures for boundary changes and termination of watershed districts; amending Minnesota Statutes 1982, sections 473.876, subdivision 9; 473.877; 473.878, subdivisions 2, 3, 4, and by adding a subdivision; and 473.882, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 473.”

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. 1561, A bill for an act relating to health; health maintenance organizations; providing continued coverage upon replacement of an insurance carrier; including health mainte-

nance organization contracts in certain statutorily mandated coverages; providing for the disclosure and reporting by the organization of detailed financial, administrative and ownership information; providing for reporting of changes in provider agreements; granting the commissioner authority to adopt rules regarding the content of provider and other agreements; requiring certain deposits against insolvency; authorizing organizations to enter into certain health services contracts; requiring certain consumer rights information in evidences of coverage and annual information statements; providing for reimbursement of, and direct payments to, enrollees; providing for examination by the commissioner of health; specifying the examination powers of the commissioner; granting the commissioner authority to adopt rules regarding unreasonable expenses; classifying certain data used for review purposes; prescribing penalties; amending Minnesota Statutes 1982, sections 60A.082; 62A.041; 62A.042; 62A.044; 62A.081; 62A.14; 62A.147; 62A.149; 62D.02, subdivisions 5, 6, and 8, and by adding subdivisions; 62D.04; 62D.05, subdivision 3; 62D.07, subdivisions 1 and 3; 62D.08, subdivisions 1, 3, and by adding subdivisions; 62D.09; 62D.10, subdivision 3, and by adding a subdivision; 62D.101, subdivisions 2 and 2a; 62D.12, subdivisions 2, 4, 9, 10, 11, and by adding a subdivision; 62D.14; 62D.15, subdivision 1; 62D.17, subdivisions 1 and 4; 62D.19; 62D.20; 62D.22, subdivision 5, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, sections 62A.152; 62A.17, subdivisions 1 and 6; 62D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1982, sections 62D.10, subdivision 2; 62D.12, subdivision 7; 62D.22, subdivision 9; 62D.27; and 62E.17.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 60A.082, is amended to read:

**60A.082 [GROUP INSURANCE; BENEFITS CONTINUED IF INSURER CHANGED.]**

A person covered under group life, group accidental death and dismemberment, group disability income or group medical expense insurance, shall not be denied benefits to which he is otherwise entitled solely because of a change in the insurance company writing the coverage or in the group contract applicable to the person. *In the case of one or more carriers replacing or remaining in place after one or more plans have been discontinued, each carrier shall accept any person who was covered under the discontinued plan or plans without denial of benefits to which other persons in the group covered by that carrier are entitled.* "Insurance Company" shall include a service plan corporation under chapter 62C or 62D.

The commissioner shall promulgate rules to carry out this section. Nothing in this section shall preclude an employer, union or association from reducing the level of benefits under any group insurance policy or plan.

Sec. 2. Minnesota Statutes 1982, section 62A.041, is amended to read:

**62A.041 [MATERNITY BENEFITS; UNMARRIED WOMEN.]**

Each group policy of accident and health insurance issued or renewed after June 4, 1971, and each group health maintenance contract issued or renewed after the effective date of this section shall provide the same coverage for maternity benefits to unmarried women and minor female dependents that it provides to married women including the wives of employees choosing dependent family coverage. If an unmarried insured or an unmarried enrollee is a parent of a dependent child, each group policy issued or renewed after July 1, 1976, and each group contract issued or renewed after the effective date of this section shall provide the same coverage for that child as that provided for the child of a married employee choosing dependent family coverage if the insured or the enrollee elects dependent family coverage.

Each individual policy of accident and health insurance and each individual health maintenance contract shall provide the same coverage for maternity benefits to unmarried women and minor female dependents as that provided for married women. If an unmarried insured or an unmarried enrollee is a parent of a dependent child, each individual policy issued or renewed after July 1, 1976, and each individual contract issued or renewed after the effective date of this section shall also provide the same coverage for that child as that provided for the child of a married insured or a married enrollee choosing dependent family coverage if the insured or the enrollee elects dependent family coverage.

For the purposes of this section, the term "maternity benefits" shall not include elective, induced abortion whether performed in a hospital, other abortion facility, or the office of a physician.

Sec. 3. Minnesota Statutes 1982, section 62A.042, is amended to read:

**62A.042 [FAMILY COVERAGE; COVERAGE OF NEWBORN INFANTS.]**

Subdivision 1. [INDIVIDUAL FAMILY POLICIES; RENEWALS.] No policy of individual accident and sickness insurance which provides for insurance for more than one person under section 62A.03, subdivision 1, clause (3), and no individual

*health maintenance contract which provides for coverage for more than one person under chapter 62D, shall be renewed to insure or cover any person in this state or be delivered or issued for delivery to any person in this state unless such policy or contract includes as insured or covered members of the family any newborn infants immediately from the moment of birth and thereafter which insurance or contract shall provide coverage for illness, injury, congenital malformation or premature birth.*

**Subd. 2. [GROUP POLICIES; RENEWALS.]** No group accident and sickness insurance policy *and no group health maintenance contract* which (PROVIDES) *provide* for coverage of family members or other dependents of an employee or other member of the covered group shall be renewed to cover members of a group located in this state or delivered or issued for delivery in this state unless such policy or contract includes as insured or covered family members or dependents any newborn infants immediately from the moment of birth and thereafter which insurance or contract shall provide coverage for illness, injury, congenital malformation or premature birth.

Sec. 4. Minnesota Statutes 1982, section 62A.044, is amended to read:

**62A.044 [PAYMENTS TO GOVERNMENTAL INSTITUTIONS.]**

No group or individual policy of accident and sickness insurance issued or renewed after May 22, 1973 pursuant to this chapter, (AND) no group or individual service plan or subscriber contract issued or renewed after May 22, 1973 pursuant to chapter 62C, *and no group or individual health maintenance contract issued or renewed after the effective date of this section pursuant to chapter 62D, shall contain any provision denying or prohibiting payments for covered and authorized services rendered by a hospital or medical institution owned or operated by the federal, state, or local government or practitioners therein in any instance wherein charges for such services are imposed against the policy holder (OR), subscriber, or enrollee. The unit of government operating the institution may maintain an action for recovery of such charges.*

Sec. 5. Minnesota Statutes 1982, section 62A.14, is amended to read:

**62A.14 [HANDICAPPED CHILDREN.]**

**Subdivision 1. [INDIVIDUAL FAMILY POLICIES.]** An individual hospital or medical expense insurance policy delivered or issued for delivery in this state more than 120 days after May 16, 1969, *or an individual health maintenance contract delivered or issued for delivery in this state after the effective*

*date of this section*, which provides that coverage of a dependent child shall terminate upon attainment of the limiting age for dependent children specified in the policy or contract shall also provide in substance that attainment of such limiting age shall not operate to terminate the coverage of such child while the child is and continues to be both (a) incapable of self-sustaining employment by reason of mental retardation or physical handicap and (b) chiefly dependent upon the policyholder for support and maintenance, provided proof of such incapacity and dependency is furnished to the insurer or health maintenance organization by the policyholder or enrollee within 31 days of the child's attainment of the limiting age and subsequently as may be required by the insurer or organization but not more frequently than annually after the two year period following the child's attainment of the limiting age.

Subd. 2. [GROUP POLICIES.] A group hospital or medical expense insurance policy delivered or issued for delivery in this state more than 120 days after May 16, 1969, or a group health maintenance contract delivered or issued for delivery in this state after the effective date of this section, which provides that coverage of a dependent child of an employee or other member of the covered group shall terminate upon attainment of the limiting age for dependent children specified in the policy or contract shall also provide in substance that attainment of such limiting age shall not operate to terminate the coverage of such child while the child is and continues to be both (a) incapable of self-sustaining employment by reason of mental retardation or physical handicap and (b) chiefly dependent upon the employee or member for support and maintenance, provided proof of such incapacity and dependency is furnished to the insurer or organization by the employee or member within 31 days of the child's attainment of the limiting age and subsequently as may be required by the insurer or organization but not more frequently than annually after the two year period following the child's attainment of the limiting age.

Sec. 6. Minnesota Statutes 1982, section 62A.147, is amended to read:

**62A.147 [DISABLED EMPLOYEES' BENEFITS; DEFINITIONS.]**

Subdivision 1. For the purposes of this section and section 62A.148, the terms defined in this section shall have the meanings here given them.

Subd. 2. "Covered employee" means any person who, at the time he suffered an injury resulting in total disability or became totally disabled by reason of illness, was employed by and receiving a salary, commission, hourly wage, or other remuneration for his services by any employer providing, offering or

contributing to group insurance coverage or group coverage through a health maintenance contract, for that employee who was so enrolled for the coverage.

Subd. 3. "Total disability" means (a) the inability of an injured or ill employee to engage in or perform the duties of his regular occupation or employment within the first two years of such disability and (b) after the first two years of such disability, the inability of the employee to engage in any paid employment or work for which he may, by his education and training, including rehabilitative training, be or reasonably become qualified.

Subd. 4. "Group insurance" means any policy or contract of accident and health protection, including health maintenance contracts, regardless of by whom underwritten, which provides benefits, including cash payments for reimbursement of expenses or the provision of usual 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 which protection is paid for or otherwise provided in full or in part by an employer.

Subd. 5. "Employer" means any natural person, company, corporation, partnership, association, firm, or franchise which employs any employee.

Subd. 6. "Insurer" means any person, company, corporation including a nonprofit corporation and a health maintenance organization, partnership, association, firm or franchise which underwrites or is by contract or other agreement obligated to provide accident and health protection benefits to any group of employees of any employer.

Sec. 7. Minnesota Statutes 1983 Supplement, section 62A.17, subdivision 6, is amended to read:

Subd. 6. [CONVERSION TO INDIVIDUAL POLICY.] A group insurance policy that provides post termination or lay off coverage as required by this section shall also include a provision allowing a covered employee, surviving spouse, or dependent at the expiration of the post termination or lay off coverage provided by subdivision 2 to obtain from the insurer offering the group policy or group subscriber contract, at the employee's, spouse's, or dependent's option and expense, without further evidence of insurability and without interruption of coverage, an individual policy of insurance or 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, and a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3. A health maintenance contract issued by a health maintenance

*organization that provides post-termination or layoff coverage as required by this section shall also include a provision allowing a former employee, surviving spouse, or dependent at the expiration of the post-termination or layoff coverage provided in subdivision 2 to obtain from the health maintenance organization, at the former employee's, spouse's, or dependent's option and expense, without further evidence of insurability and without interruption of coverage, an individual health maintenance contract. Effective January 1, 1985, enrollees who have become nonresidents of the health maintenance organization's service area shall be given the option, to be arranged by the health maintenance organization, of a number three qualified plan, a number two qualified plan, or a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3 if an arrangement with an insurer can be made by the health maintenance organization.*

A policy providing reduced benefits at a reduced premium rate may be accepted by the employee, the spouse, or a dependent in lieu of the optional coverage otherwise required by this subdivision.

The individual policy or contract shall be renewable at the option of the individual as long as the individual 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 covered person's original age at entry and shall apply equally to all similar policies issued by the insurer.

Sec. 8. Minnesota Statutes 1982, section 62D.02, subdivision 8, is amended to read:

Subd. 8. "Health maintenance contract" means any contract whereby a health maintenance organization agrees to provide comprehensive health maintenance services to enrollees, provided that the contract may contain reasonable enrollee copayment provisions. *Copayment provisions in group contracts shall not discriminate on the basis of age, sex, race, preexisting health status, length of enrollment in the plan, or economic status. In no event shall the annual copayment exceed the maximum allowable for a number three qualified insurance policy under section 62E.06.* Any contract may provide for health care services in addition to those set forth in subdivision. 7.

Sec. 9. Minnesota Statutes 1982, section 62D.02, is amended by adding a subdivision to read:

Subd. 12. "Participating entity" means any person, provider, company, or other organization with which the health mainte-



nance organization has contracts or other arrangements, including any of the following:

(1) a health care facility licensed under sections 144.50 to 144.56, a nursing home licensed under sections 144A.02 to 144A.11, and any other health care facility otherwise licensed under the laws of this state or registered with the commissioner of health;

(2) a health care professional licensed under health-related licensing boards, as defined in section 214.01, subdivision 2, and any other health care professional otherwise licensed under the laws of this state or registered with the commissioner of health;

(3) a group, professional corporation, or other organization which provides the services of individuals or entities identified in (2), including but not limited to a medical clinic, a medical group, a home health care agency, an urgent care center, and an emergent care center;

(4) any person or organization providing administrative, financial, or management services to the health maintenance organization if the total payment for all services exceeds three percent of the gross revenues of the health maintenance organization.

"Participating entity" does not include another health maintenance organization with which a health maintenance organization has made contractual arrangements.

Sec. 10. Minnesota Statutes 1982, section 62D.02, is amended by adding a subdivision to read:

Subd. 13. "Major participating entity" shall include the following:

(1) a participating entity that receives from the health maintenance organization as compensation for services a sum greater than 30 percent of the health maintenance organization's gross revenues;

(2) a participating entity providing administrative, financial, or management services to the health maintenance organization, if the total payment for all services exceeds three percent of the gross revenue of the health maintenance organization;

(3) a participating entity that nominates or appoints 30 percent or more of the board of directors of the health maintenance organization.

Sec. 11. Minnesota Statutes 1982, section 62D.02, is amended by adding a subdivision to read:

*Subd. 14. "Separate health services contracts" means pre-paid dental services contracts and other similar types of prepaid health services agreements in which services are provided by participating entities or employees of the health maintenance organization, but does not include contracts subject to chapter 62A or 62C.*

Sec. 12. Minnesota Statutes 1983 Supplement, section 62D.03, subdivision 4, is amended to read:

Subd. 4. Each application for a certificate of authority shall be verified by an officer or authorized representative of the applicant, and shall be in a form prescribed by the commissioner of health. Each application shall include the following:

(a) a copy of the basic organizational document, if any, of the applicant *and of each major participating entity*; such as the articles of incorporation, or other applicable documents, and all amendments thereto;

(b) a copy of the bylaws, rules and regulations, or similar document, if any, and all amendments thereto which regulate the conduct of the affairs of the applicant *and of each major participating entity*;

(c) a list of the names, addresses, and official positions of the following (PERSONS):

(ALL MEMBERS OF THE BOARD OF DIRECTORS OR GOVERNING BODY OF THE LOCAL GOVERNMENTAL UNIT, AND THE PRINCIPAL OFFICERS OF THE ORGANIZATION; WHICH SHALL CONTAIN A FULL DISCLOSURE IN THE APPLICATION OF THE EXTENT AND NATURE OF ANY CONTRACT OR FINANCIAL ARRANGEMENTS BETWEEN THEM AND THE HEALTH MAINTENANCE ORGANIZATION, INCLUDING A FULL DISCLOSURE OF ANY FINANCIAL ARRANGEMENTS BETWEEN THEM AND ANY PROVIDER OR OTHER PERSON CONCERNING ANY FINANCIAL RELATIONSHIP WITH THE HEALTH MAINTENANCE ORGANIZATION;)

(1) *all members of the board of directors, or governing body of the local government unit, and the principal officers and controlling shareholders of the organization; and*

(2) *all members of the board of directors, or governing body of the local government unit, and the principal officers and controlling shareholders of each major participating entity;*

The commissioner may by rule identify persons included in the terms "principal officers" and "controlling shareholders";

(d) a full disclosure of the extent and nature of any contract or financial arrangements between the following:

(1) the health maintenance organization and the persons listed in clause (c)(1);

(2) the health maintenance organization and the persons listed in clause (c)(2);

(3) each major participating entity and the persons listed in clause (c)(1) concerning any financial relationship with the health maintenance organization; and

(4) each major participating entity and the persons listed in clause (c)(2) concerning any financial relationship with the health maintenance organization;

(e) the name and address of each participating entity and the agreed upon duration of each contract or agreement;

(f) a copy of the form of each contract binding the participating entities and the health maintenance organization provided that the employment contracts between the health maintenance organization and its employees shall not be filed. Contractual provisions shall be consistent with the purposes of sections 62D.01 to 62D.29 in regard to the services to be performed under the contract, the manner in which payment for services is determined, the nature and extent of responsibilities to be retained by the health maintenance organization, the nature and extent of risk sharing permissible, and contractual termination provisions;

(g) a copy of each contract binding major participating entities and the health maintenance organization. Upon the request of the health maintenance organization, contract information filed with the commissioner may be nonpublic and subject to the provisions of section 13.37, subdivision 1(b).

Upon initial filing and thereafter on or before the anniversary of the implementation of each contract, the health maintenance organization shall file a separate document detailing the projected annual expenses to the major participating entity in performing the contract and the projected annual revenues received by the entity from the health maintenance organization for such performance. The commissioner shall disapprove any contract with a major participating entity if the contract will result in an unreasonable expense under section 62D.19.

Within 120 days of the anniversary of the implementation of each contract, the health maintenance organization shall file a

*document detailing the actual expenses incurred by the major participating entity in performing the contract in the preceding year and the actual revenues received from the health maintenance organization by the entity in payment for the performance. The contract shall be submitted for a reasonableness determination under section 62D.19.*

*Contracts implemented prior to the effective date of this subdivision shall be filed within 90 days of such effective date. Commencing with the next anniversary of the implementation of each of these contracts immediately following filing, the health maintenance organization shall, as otherwise required by this subdivision, file annual projected and actual expenses and revenues which will be subject to review in the manner prescribed by this subdivision.*

((D)) *(h)* a statement generally describing the health maintenance organization, its health (CARE PLAN OR PLANS) maintenance contracts and separate health service contracts, facilities, and personnel, including a statement describing the manner in which the applicant proposes to provide enrollees with comprehensive health maintenance services and separate health services;

((E)) *(i)* a copy of the form of each evidence of coverage to be issued to the enrollees;

((F)) *(j)* a copy of the form of each individual or group health maintenance contract and each separate health service contract which is to be issued to enrollees or their representatives;

((G)) *(k)* financial statements showing the applicant's assets, liabilities, and sources of financial support. If the applicant's financial affairs are audited by independent certified public accountants, a copy of the applicant's most recent certified financial statement may be deemed to satisfy this requirement;

((H)) *(1)* *(l)* a description of the proposed method of marketing the plan, *(2)* a schedule of proposed charges, and *(3)* a financial plan which includes a three year projection of the expenses and income and other sources of future capital;

((I)) *(m)* a statement reasonably describing the geographic area or areas to be served and the type or types of enrollees to be served;

((J)) *(n)* a description of the complaint procedures to be utilized as required under section 62D.11;

((K)) *(o)* a description of the procedures and programs to be implemented to meet the requirements of section 62D.04, sub-

division 1, clauses (b) and (c) and to monitor the quality of health care provided to enrollees;

((L)) (p) a description of the mechanism by which enrollees will be afforded an opportunity to participate in matters of policy and operation under section 62D.06;

(q) a copy of any agreement between the health maintenance organization and an insurer or nonprofit health service corporation regarding reinsurance, stop-loss coverage, or any other type of coverage for potential costs of health services, as authorized in section 62D.04, subdivision 1(f) and section 62D.13; and

((M)) (r) other information as the commissioner of health may reasonably require to be provided.

Sec. 13. Minnesota Statutes 1982, section 62D.04, is amended to read:

62D.04 [ISSUANCE OF CERTIFICATE AUTHORITY.]

Subdivision 1. Upon receipt of an application for a certificate of authority, the commissioner of health shall determine whether the applicant for a certificate of authority has:

(a) Demonstrated the willingness and potential ability to assure that health care services will be provided in such a manner as to enhance and assure both the availability and accessibility of adequate personnel and facilities;

(b) Arrangements for an ongoing evaluation of the quality of health care;

(c) A procedure to develop, compile, evaluate, and report statistics relating to the cost of its operations, the pattern of utilization of its services, the quality, availability and accessibility of its services, and such other matters as may be reasonably required by regulation of the commissioner of health;

(d) Reasonable provisions for emergency and out of area health care services;

(e) Demonstrated that it is financially responsible and may reasonably be expected to meet its obligations to enrollees and prospective enrollees. In making this determination, the commissioner of health may consider (EITHER THE STANDARDS OF CLAUSES (1) AND (2), OR THE STANDARDS OF CLAUSES (3) AND (4), WHICHEVER THE APPLICANT SHALL ELECT):

(1) the financial soundness of its arrangements for health care services and the proposed schedule of charges used in connection therewith;

(2) the adequacy of its working capital;

(3) arrangements which will guarantee for a reasonable period of time the continued availability or payment of the cost of health care services in the event of discontinuance of the health maintenance organization; (AND)

(4) agreements with providers for the provision of health care services; *and*

(5) *any deposit of cash or securities submitted in accordance with section 19.*

(f) Demonstrated that it will assume full financial risk on a prospective basis for the provision of comprehensive health maintenance services, including hospital care; provided, however, that the requirement in this paragraph shall not prohibit a health maintenance organization from obtaining insurance or making other arrangements (i) for the cost of providing to any enrollee comprehensive health maintenance services, the aggregate value of which exceeds \$5,000 in any year, (ii) for the cost of providing comprehensive health care services to its members on a non-elective emergency basis, or while they are outside the area served by the organization, or (iii) for not more than 95 percent of the amount by which the health maintenance organization's costs for any of its fiscal years exceed 105 percent of its income for such fiscal years; and

(g) Otherwise met the requirements of sections 62D.01 to 62D.29.

Subd. 2. Within 90 days after the receipt of the application for a certificate of authority, the commissioner of health shall determine whether or not the applicant meets the requirements of this section. If the commissioner of health determines that the applicant meets the requirements of sections 62D.01 to 62D.29, he shall issue a certificate of authority to the applicant. If the commissioner of health determines that the applicant is not qualified, he shall so notify the applicant and shall specify the reason or reasons for such disqualification.

Subd. 3. Except as provided in section 62D.03, subdivision 2, no person who has not been issued a certificate of authority shall use the words "health maintenance organization" or the initials "HMO" in its name, contracts or literature. Provided, however, that persons who are operating under a contract with, operating in association with, enrolling enrollees for, or otherwise authorized by a health maintenance organization licensed under sections 62D.01 to 62D.29 to act on its behalf may use the terms "health maintenance organization" or "HMO" for the limited purpose of denoting or explaining their association or relationship with the authorized health maintenance organiza-

tion. No health maintenance organization which has a minority of consumers as members of its board of directors shall use the words "consumer controlled" in its name or in any way represent to the public that it is controlled by consumers.

*Subd. 4. Upon being granted a certificate of authority to operate as a health maintenance organization, the organization must continue to operate in compliance with the standards set forth in subdivision 1. Noncompliance may result in the imposition of a fine or the suspension or revocation of the certificate of authority, in accordance with sections 62D.15 to 62D.17.*

**Sec. 14. [62D.041] [PROTECTION AGAINST INSOLVENCY.]**

*Subdivision 1. [DEFINITION.] For the purposes of this section, the term "uncovered expenditures" means the costs of health care services that are covered by a health maintenance organization for which an enrollee would also be liable in the event of the organization's insolvency, including out-of-area services, referral services, and any other expenditures for health care services for which the health maintenance organization is at risk.*

*Subd. 2. [REQUIRED DEPOSIT.] Unless otherwise provided in this section, each health maintenance organization shall deposit with any organization or trustee acceptable to the commissioner through which a custodial or controlled account is utilized, cash, freely alienable securities, or any combination of these or other measures that is acceptable to the commissioner in the amount set forth in this section. If a health maintenance organization does not have the required reserves or its reserves are not properly computed, operations shall be adjusted to correct the condition, according to a written plan proposed by the health maintenance organization and approved by the commissioner. If a health maintenance organization does not propose measures to correct its reserves or surplus within a reasonable time, if a corporation violates the plan which has been approved, or if there is evidence that an improper reserve or surplus status cannot be corrected within a reasonable time, the commissioner of commerce may take action against the corporation under chapter 60B.*

*Subd. 3. [AMOUNT FOR BEGINNING ORGANIZATIONS.] The amount for an organization that is beginning operation shall be the greater of: (a) five percent of its estimated expenditures for health care services for its first year of operation; (b) twice its estimated average monthly uncovered expenditures for its first year of operation; or (c) \$100,000.*

*At the beginning of each succeeding year, unless not applicable, the organization shall deposit with the organization or*

trustee, cash, freely alienable securities, or any combination of these or other measures acceptable to the commissioner in an amount equal to four percent of its estimated annual uncovered expenditures for that year.

*Subd. 4. [AMOUNT FOR EXISTING ORGANIZATIONS.] Unless not applicable, an organization that is in operation on the effective date of this section shall make a deposit equal to the larger of:*

*(a) one percent of the preceding 12 months' uncovered expenditures; or*

*(b) \$100,000 on the first day of the fiscal year beginning six months or more after the effective date of this section.*

*In the second fiscal year, if applicable, the amount of the additional deposit shall be equal to two percent of its estimated annual uncovered expenditures. In the third year, if applicable, the additional deposit shall be equal to three percent of its estimated annual uncovered expenditures for that year. In the fourth fiscal year and subsequent years, if applicable, the additional deposit shall be equal to four percent of its estimated annual uncovered expenditures for each year. Each year's estimate, after the first year of operation, shall reasonably reflect the prior year's operating experience and delivery arrangements.*

*Subd. 5. [WAIVER.] The commissioner may waive any of the deposit requirements set forth in subdivisions 2 and 3 whenever satisfied that the organization has sufficient net worth and an adequate history of generating net income to assure its financial viability for the next year, or its performance and obligations are guaranteed by an organization with sufficient net worth and an adequate history of generating net income, or the assets of the organization or its contracts with insurers, hospital, or medical service corporations, governments, or other organizations are reasonably sufficient to assure the performance of its obligations.*

*Subd. 6. [FINANCIAL EXEMPTIONS.] When an organization has achieved a net worth not including land, buildings, and equipment of at least \$1,000,000 or has achieved a net worth including organization-related land, buildings, and equipment of at least \$5,000,000, the annual deposit requirement does not apply.*

*The annual deposit requirement does not apply to an organization if the total amount of the accumulated deposit is equal to 25 percent of its estimated annual uncovered expenditures for the next calendar year, or the capital and surplus requirements for the formation for admittance of an accident and health insurer in this state, whichever is less.*



*If the organization has a guaranteeing organization which has been in operation for at least five years and has a net worth not including land, buildings, and equipment of at least \$1,000,000 or which has been in operation for at least ten years and has a net worth including organization-related land, buildings, and equipment of at least \$5,000,000, the annual deposit requirement does not apply. If the guaranteeing organization is sponsoring more than one organization, the net worth requirement shall be increased by \$400,000 not including organization-related land, buildings, and equipment, for each additional organization, for guaranteeing organizations that have been in operation for at least five years, and by \$2,000,000 including organization-related land, buildings, and equipment, for each additional organization, for guaranteeing organizations that have been in operation for at least ten years. This requirement to maintain a deposit in excess of the deposit required of an accident and health insurer does not apply during any time that the guaranteeing organization maintains for each organization it sponsors a net worth at least equal to the capital and surplus requirements for an accident and health insurer.*

*Subd. 7. [CONTROL OF OVER DEPOSITS.] All income from deposits shall belong to the depositing organizations and shall be paid to it as it becomes available. A health maintenance organization that has made a securities deposit may withdraw that deposit or any part thereof after making a substitute deposit of cash, freely alienable securities, or any combination of these or other measures of equal amount and value. Any securities shall be approved by the commissioner before being substituted.*

*Subd. 8. [REDUCTION BY COMMISSIONER.] In any year in which an annual deposit is not required of an organization's request the commissioner shall reduce the required, previously accumulated deposit by \$100,000 for each \$250,000 of net worth in excess of the amount that allows the organization not to make the annual deposit. If the amount of net worth no longer supports a reduction of its required deposit, the organization shall immediately redeposit \$100,000 for each \$250,000 of reduction in net worth, provided that its total deposit shall not exceed the maximum required under this section.*

Sec. 15. Minnesota Statutes 1982, section 62D.05, subdivision 3, is amended to read:

Subd. 3. A health maintenance organization may contract with providers of health care services to render the services the health maintenance organization has promised to provide under the terms of its health maintenance contracts, may, subject to section 62D.12, subdivision 11, enter into separate prepaid dental contracts, or other separate health service contracts, may, subject to the limitations of section 62D.04, subdivision 1, clause (f), contract with insurance companies and nonprofit health

service plan corporations for insurance, indemnity or reimbursement of its cost of providing health care services for enrollees or against the risks incurred by the health maintenance organization, and may contract with insurance companies and non-profit health service plan corporations to insure or cover the enrollees' costs and expenses in the health maintenance organization, including the customary prepayment amount and any co-payment obligations.

Sec. 16. Minnesota Statutes 1982, section 62D.07, subdivision 1, is amended to read:

Subdivision 1. Every enrollee residing in this state is entitled to evidence of coverage under a health (CARE PLAN) *maintenance contract*. The health maintenance organization or its designated representative shall issue the evidence of coverage.

Sec. 17. Minnesota Statutes 1982, section 62D.07, subdivision 3, is amended to read:

Subd. 3. An evidence of coverage shall contain:

(a) No provisions or statements which are unjust, unfair, inequitable, misleading, deceptive, or which are untrue, misleading or deceptive as defined in section 62D.12, subdivision 1; and

(b) A clear, concise and complete statement of:

(1) The health care services and the insurance or other benefits, if any, to which the enrollee is entitled under the health (CARE PLAN) *maintenance contract*;

(2) Any exclusions or limitations on the services, kind of services, benefits, or kind of benefits, to be provided, including any deductible or copayment feature;

(3) Where and in what manner information is available as to how services, including emergency and out of area services, may be obtained;

(4) The total amount of payment and copayment, if any, for health care services and the indemnity or service benefits, if any, which the enrollee is obligated to pay with respect to individual contracts, or an indication whether the plan is contributory or noncontributory with respect to group certificates; and

(5) A description of the health maintenance organization's method for resolving enrollee complaints *and a statement identifying the commissioner as an external source with whom grievances may be registered.*

(c) *On the cover page of the evidence of coverage, a clear and complete statement of enrollees' rights as consumers, including but not limited to a description of each of the following:*

(1) *based upon the delivery system of each health maintenance organization, a statement which describes any type of health care professional as defined in section 145.61, whose services may be available only by referral of the health maintenance organization's participating staff;*

(2) *the right to available and accessible services which can be secured as promptly as appropriate for the symptoms presented, in a manner which assures continuity and, when medically necessary, the right to emergency services available 24 hours a day and 7 days a week;*

(3) *the consumer's right to be informed of his or her health problems, and to receive information regarding treatment alternatives and risks which is sufficient to assure informed choice;*

(4) *the right to refuse treatment;*

(5) *the right to privacy of medical and financial records maintained by the health maintenance organization and its health care providers, in accordance with existing law;*

(6) *the right to file a grievance with the health maintenance organization and the commissioner when experiencing a problem with the health maintenance organization or its health care providers;*

(7) *the right to arbitrate or litigate complaints when dissatisfied with the health maintenance organization's determination regarding a grievance;*

(8) *the right of the enrollee and his or her dependents to continue group coverage in the event the enrollee is terminated or laid off from employment, provided that the cost of such coverage is paid by the enrollee and furthermore, the right of the enrollee to convert to an individual contract at the end of the continuation period;*

(9) *the right for notification of enrollees regarding the cancellation or termination of contracts with participating primary care professionals, and the right to choose from among remaining participating primary care professionals;*

(10) *the right to cancel an individual health maintenance contract within ten days of its receipt and to have premiums paid refunded if, after examination of the contract, the individual is not satisfied with it for any reason. The individual is responsible*

*for repaying the health maintenance organization for any services rendered or claims paid by the health maintenance organization during the ten days; and*

*(11) the right to a grace period of 31 days for the payment of each premium for an individual health maintenance contract falling due after the first premium during which period the contract shall continue in force.*

Sec. 18. Minnesota Statutes 1982, section 62D.07, is amended by adding a subdivision to read:

*Subd. 5. A grace period of 31 days shall be granted for payment of each premium for an individual health maintenance contract falling due after the first premium, during which period the contract shall continue in force.*

Sec. 19. Minnesota Statutes 1982, section 62D.07, is amended by adding a subdivision to read:

*Subd. 6. Any person entering into an individual health maintenance contract may cancel the contract within ten days of its receipt and to have premium paid refunded if, after examination of the contract, the individual is not satisfied with it for any reason. The individual is responsible for repaying the health maintenance organization for any services rendered or claims paid by the health maintenance organization during the ten days.*

Sec. 20. Minnesota Statutes 1982, section 62D.08, subdivision 1, is amended to read:

Subdivision 1. A health maintenance organization shall, unless otherwise provided for by regulations adopted by the commissioner of health, file notice with the commissioner of health prior to any modification of the operations or documents described in the information submitted under clauses (a), (b), (e), (f), (g), (i), (j), ((K),) (l), (AND) (m), (n), (o), (p,) (q) and (r) of section 62D.03, subdivision 4 (. IF THE COMMISSIONER OF HEALTH DOES NOT DISAPPROVE OF THE FILING WITHIN 30 DAYS, IT SHALL BE DEEMED APPROVED AND MAY BE IMPLEMENTED BY THE HEALTH MAINTENANCE ORGANIZATION), clause (b). *The commissioner will approve or disapprove of the filing within 30 days.*

Sec. 21. Minnesota Statutes 1982, section 62D.08, subdivision 3, is amended to read:

Subd. 3. Such report shall be on forms prescribed by the commissioner of health, and shall include:

(a) A financial statement of the organization, including its balance sheet and receipts and disbursements for the preceding year certified by an independent certified public accountant, reflecting at least (1) all prepayment and other payments received for health care services rendered, (2) expenditures to all providers, by classes or groups of providers, and insurance companies or nonprofit health service plan corporations engaged to fulfill obligations arising out of the health maintenance contract, and (3) expenditures for capital improvements, or additions thereto, including but not limited to construction, renovation or purchase of facilities and capital equipment;

(b) The number of new enrollees enrolled during the year, the number of enrollees as of the end of the year and the number of enrollees terminated during the year;

(c) A summary of information compiled pursuant to section 62D.04, subdivision 1, clause (c) in such form as may be required by the commissioner of health;

(d) A report of the names and residence addresses of all persons set forth in section 62D.03, subdivision 4, clause (c) who were associated with the health maintenance organization *or the major participating entity* during the preceding year, and the amount of wages, expense reimbursements, or other payments to such individuals for services to the health maintenance organization *or the major participating entity*, including a full disclosure of all financial arrangements during the preceding year required to be disclosed pursuant to section 62D.03, subdivision 4, clause ((C)) (d); and

(e) Such other information relating to the performance of the health maintenance organization as is reasonably necessary to enable the commissioner of health to carry out his duties under sections 62D.01 to 62D.29.

Sec. 22. Minnesota Statutes 1982, section 62D.08, is amended by adding a subdivision to read:

*Subd. 4. Failure of the health maintenance organization to file a verified report with the commissioner on or before April 1 of the year due shall result in the levy of an automatic \$500 fine for each day the report is past due, and will serve as a basis for other disciplinary action against the organization, including suspension or revocation, in accordance with sections 62D.15 to 62D.17. The commissioner may grant an extension of the reporting deadline upon good cause shown by the health maintenance organization if good cause is shown. Any fine levied or disciplinary action taken against the organization under this subdivision is subject to the judicial review provisions of sections 14.63 to 14.69.*

Sec. 23. Minnesota Statutes 1982, section 62D.08, is amended by adding a subdivision to read:

*Subd. 5. Every health maintenance organization shall inform the commissioner of any change in the information described in section 62D.03, subdivision 4, clause (e), including any change in address, any modification of the duration of any contract or agreement, and any addition to the list of participating entities, within ten working days of the notification of the change. Any cancellation or discontinuance of any contract or agreement listed in section 62D.03, subdivision 4, clause (e), or listed subsequently in accordance with this subdivision, shall be reported to the commissioner within seven working days of the date the health maintenance organization sends out or receives the notice of cancellation or discontinuance, and shall be reported to the affected enrollees of the organization within 30 days of the effective date of the cancellation or discontinuance, provided that cancellation or discontinuance of a referral provider need not be reported to enrollees. Failure of the organization to notify the commissioner and the affected enrollees within the time periods prescribed in this subdivision shall result in the levy of an automatic \$100 fine per contract for each day the notice is past due, accruing up to the date the organization notifies the commissioner and the enrollees of the cancellation or discontinuance. Any fine levied under this subdivision is subject to the judicial review provisions of sections 14.63 to 14.69.*

Sec. 24. Minnesota Statutes 1982, section 62D.09, is amended to read:

62D.09 [INFORMATION TO ENROLLEES.]

*Subdivision 1. Any written marketing materials which may be directed toward potential enrollees and which includes a summary of benefits provided by the health maintenance organization shall include a statement of consumer rights as described in section 62D.07, subdivision 3(c).*

*Subd. 2. The application for coverage by the health maintenance organization shall include, on the same page as the applicant's signature, the statement of consumer rights as described in section 62D.07, subdivision 3(c).*

*Subd. 3. Every health maintenance organization or its representative shall annually, before April 1, provide to its enrollees the following: (1) a summary of (:) its most recent annual financial statement including a balance sheet and statement of receipts and disbursements; (2) a description of the health maintenance organization, its health care plan or plans, its facilities and personnel, any material changes therein since the last report, (AND) (3) the current evidence of coverage; and (4) a statement of consumer rights as described in section 62D.07, subdivision 3, paragraph (c).*

Sec. 25. Minnesota Statutes 1982, section 62D.10, subdivision 3, is amended to read:

Subd. 3. A health plan providing health maintenance services or reimbursement for health care costs to a specified group or groups may limit the open enrollment in each group plan to members of such group or groups, but after it has been in operation 24 months shall have an annual open enrollment period of at least (ONE MONTH) *14 days* during which it (ACCEPTS ENROLLEES FROM THE MEMBERS OF EACH GROUP UP TO A MINIMUM OF FIVE PERCENT OF ITS CURRENT ENROLLMENT IN EACH GROUP PLAN) *shall accept all otherwise eligible individuals in the order in which they apply for enrollment in a manner which does not discriminate on the basis of age, sex, race, health, or economic status. The health maintenance organization shall notify potential enrollees of any limitations on the number of new enrollees to be accepted.* "Specified groups" may include, but shall not be limited to:

- (a) Employees of one or more specified employers;
- (b) Members of one or more specified labor unions;
- (c) Members of one or more specified associations;
- (d) Patients of physicians providing services through a health care plan who had previously provided services outside the health care plan; and
- (e) Members of an existing group insurance policy.

Sec. 26. Minnesota Statutes 1982, section 62D.10, is amended by adding a subdivision to read:

*Subd. 4a. Any fee charged by a health maintenance organization for the process of determining an applicant's eligibility, and any other application fee charged, shall be refunded with interest to the applicant if the applicant is not accepted for enrollment in the health maintenance organization, or credited with interest to the applicant's premiums due if the applicant is accepted for enrollment in the organization.*

Sec. 27. Minnesota Statutes 1982, section 62D.101, subdivision 2, is amended to read:

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) *as described*

*in subdivision 1* shall contain a provision allowing a former spouse and dependent children of an enrollee, without providing evidence of insurability, 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.

Sec. 28. Minnesota Statutes 1982, section 62D.101, subdivision 2a, is amended to read:

Subd. 2a. [CONTINUATION PRIVILEGE.] Every health maintenance contract (**OTHER THAN A CONTRACT WHOSE CONTINUANCE IS CONTINGENT UPON CONTINUED EMPLOYMENT OR MEMBERSHIP,**) *as described in subdivision 1* 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.

Sec. 29. [62D.103] [SECOND OPINION RELATED TO CHEMICAL DEPENDENCY AND MENTAL HEALTH.]



*A health maintenance organization shall promptly evaluate the treatment needs of any enrollee who is seeking treatment for a problem related to chemical dependency or mental health conditions. In the event that the health maintenance organization or a participating provider determines that no type of structured treatment is necessary, the enrollee shall be immediately entitled to a second opinion paid for by the health maintenance organization, by a health care professional qualified in diagnosis and treatment of the problem and not affiliated with the health maintenance organization. The health maintenance organization or participating provider shall consider the second opinion but is not obligated to accept the conclusion of the second opinion. The health maintenance organization or participating provider shall document its consideration of the second opinion.*

Sec. 30. Minnesota Statutes 1982, section 62D.12, subdivision 1, is amended to read:

Subdivision 1. No health maintenance organization or representative thereof may cause or knowingly permit the use of advertising or solicitation which is untrue or misleading, or any form of evidence of coverage which is deceptive. *Any written advertising is misleading if it fails to disclose that there are limitations on the services of some health care professionals. This general disclosure is not required on billboards.* Each health maintenance organization shall be subject to sections 72A.17 to 72A.321, relating to the regulation of trade practices, except (a) to the extent that the nature of a health maintenance organization renders such sections clearly inappropriate and (b) that enforcement shall be by the commissioner of health and not by the commissioner of insurance. Every health maintenance organization shall be subject to sections (325.79) *325F.69* and (325.907) *8.31*.

Sec. 31. Minnesota Statutes 1982, section 62D.12, subdivision 2, is amended to read:

Subd. 2. No health maintenance organization may cancel or fail to renew the coverage of an enrollee except for (a) failure to pay the charge for health care coverage; (b) termination of the health care plan; (c) termination of the group plan; (d) enrollee moving out of the area served, *subject to section 62A.17, subdivisions 1 and 6*; (e) enrollee moving out of an eligible group, *subject to section 62A.17, subdivisions 1 and 6*; (f) failure to make copayments required by the health care plan; or (g) other reasons established in regulations promulgated by the commissioner of health. An enrollee shall be given 30 days notice of any cancellation or nonrenewal.

Sec. 32. Minnesota Statutes 1982, section 62D.12, subdivision 4, is amended to read:

Subd. 4. No health maintenance contract or evidence of coverage shall provide for the reimbursement of an enrollee other than through a policy of insurance, except (TO REFUND PAYMENTS MADE BY OR ON BEHALF OF AN ENROLLEE; OR, WITH THE PRIOR APPROVAL OF THE COMMISSIONER OF HEALTH, PAYMENTS TO ENROLLEES FOR OBLIGATIONS INCURRED FOR NON-ELECTIVE EMERGENCY OR OUT-OF-AREA SERVICES RECEIVED; OR WITH PRIOR APPROVAL, DIRECT PAYMENTS TO PROVIDERS FOR OUT-OF-AREA, NON-ELECTIVE EMERGENCY OR REFERRAL MEDICAL, HOSPITAL, OR OTHER HEALTH SERVICES RENDERED TO ENROLLEES) as stated in this subdivision:

(a) *the health maintenance organization may refund payments made by or on behalf of an enrollee;*

(b) *the health maintenance organization may make direct payments to enrollees or providers for obligations incurred for nonelective emergency or out-of-area services received.*

Sec. 33. Minnesota Statutes 1982, section 62D.12, subdivision 9, is amended to read:

Subd. 9. *All net earnings of the health maintenance organization shall be devoted to the nonprofit purposes of the health maintenance organization in providing comprehensive health care. No health maintenance organization shall provide for the payment, whether directly or indirectly, of any part of its net earnings, to any person as a dividend or rebate; provided, however, that (AUTHORIZED EXPENSES OF A HEALTH MAINTENANCE ORGANIZATION SHALL INCLUDE:)*

**((A) CASH REBATES TO ENROLLEES, OR TO PERSONS WHO HAVE MADE PAYMENTS ON BEHALF OF ENROLLEES; OR, WHEN APPROVED BY THE COMMISSIONER OF HEALTH AS PROVIDED IN SUBDIVISION 4, DIRECT PAYMENTS TO ENROLLEES FOR OBLIGATIONS INCURRED FOR NON-ELECTIVE EMERGENCY OR OUT-OF-AREA SERVICES RECEIVED; OR, WITH PRIOR APPROVAL, DIRECT PAYMENTS TO PROVIDERS FOR OUT-OF-AREA, NON-ELECTIVE EMERGENCY OR REFERRAL MEDICAL, HOSPITAL, OR OTHER HEALTH SERVICES RENDERED TO ENROLLEES;)**

**((B) FREE OR REDUCE COST HEALTH SERVICE TO ENROLLEES; OR)**

**((C) PAYMENTS TO PROVIDERS OR OTHER PERSONS BASED UPON THE EFFICIENT PROVISION OF SERVICES OR AS INCENTIVES TO PROVIDE QUALITY CARE. ALL NET EARNINGS SHALL BE DEVOTED TO**

THE NONPROFIT PURPOSES OF THE HEALTH MAINTENANCE ORGANIZATION IN PROVIDING COMPREHENSIVE HEALTH CARE.) *health maintenance organizations may make payments to providers or other persons based upon the efficient provision of services or as incentives to provide quality care.* The commissioner of health shall, pursuant to sections 62D.01 to 62D.29, revoke the certificate of authority of any health maintenance organization in violation of this subdivision.

Sec. 34. Minnesota Statutes 1982, section 62D.12, is amended by adding a subdivision to read:

*Subd. 9a. Authorized expenses of a health maintenance organization shall include:*

- (1) cash rebates to enrollees, or to persons who have made payments on behalf of enrollees;*
- (2) direct payments to enrollees or providers as provided in subdivision 4, clause (b);*
- (3) free or reduced cost health service to enrollees;*
- (4) payments to any organization or organizations selected by the health maintenance organization which are operated for charitable, educational, or religious or scientific purposes.*

Sec. 35. Minnesota Statutes 1982, section 62D.12, subdivision 10, is amended to read:

*Subd. 10. No health maintenance contract or evidence of coverage entered into, issued, amended, renewed or delivered on or after January 1, 1976 shall contain any provision offsetting, or in any other manner reducing, any benefit to an enrollee or other beneficiary by the amount of, or in any proportion to, any increase in disability benefits received or receivable under the federal Social Security Act, as amended subsequent to the date of commencement of such benefit, the Railroad Retirement Act, any Veteran's Disability Compensation and Survivor Benefits Act, workers' compensation, or any similar federal or state law, as amended subsequent to the date of commencement of that benefit.*

Sec. 36. Minnesota Statutes 1982, section 62D.12, is amended by adding a subdivision to read:

*Subd. 13. No health maintenance organization offering an individual or group health maintenance contract shall refuse to provide or renew the coverage because the applicant or enrollee has an option to elect workers' compensation coverage pursuant to section 176.012.*

Sec. 37. Minnesota Statutes 1982, section 62D.14, is amended to read:

**62D.14 [EXAMINATIONS.]**

Subdivision 1. The commissioner of health may make an examination of the (FINANCIAL) affairs of any health maintenance organization (AND ITS CONTRACTS, AGREEMENTS, OR OTHER ARRANGEMENTS WITH PROVIDERS) *and any participating entity* as often as the commissioner of health deems necessary for the protection of the interests of the people of this state, but not less frequently than once every three years, *provided that examinations of participating entities pursuant to this subdivision shall be limited to their dealings with the health maintenance organization and its enrollees.*

Subd. 2. The commissioner (OF HEALTH MAY MAKE AN EXAMINATION CONCERNING THE QUALITY OF HEALTH CARE SERVICES PROVIDED TO ENROLLEES BY ANY HEALTH MAINTENANCE ORGANIZATION AND PROVIDERS WITH WHOM SUCH ORGANIZATION HAS CONTRACTS, AGREEMENTS, OR OTHER ARRANGEMENTS PURSUANT TO ITS HEALTH CARE PLAN AS OFTEN AS THE COMMISSIONER OF HEALTH DEEMS NECESSARY FOR THE PROTECTION OF THE INTERESTS OF THE PEOPLE OF THIS STATE, BUT NOT LESS FREQUENTLY THAN ONCE EVERY THREE YEARS. PROVIDED, THAT EXAMINATIONS OF PROVIDERS PURSUANT TO THIS SUBDIVISION SHALL BE LIMITED TO THEIR DEALINGS WITH THE HEALTH MAINTENANCE ORGANIZATION AND ITS ENROLLEES) *will notify the organization and any involved participating entity in writing when an examination has been initiated. The commissioner will include in this notice a full statement of the pertinent facts and of the matters being examined, and may include a statement that the organization or participating entity must submit to the commissioner within 30 days from the date of the notice a complete written report concerning those matters.*

Subd. 3. In order to accomplish his duties under this section, the commissioner of health shall have the right to:

(a) inspect or otherwise evaluate the quality, appropriateness, and timeliness of services performed under (SUCH CONTRACT) *the organization's contracts, agreements, or other arrangements with participating entities; (AND)*

(b) audit and inspect any books and records of a health maintenance organization *and a participating entity* which pertain to services performed and determinations of amounts payable under such contract;

(c) require persons or organizations under examination to be deposed and to answer interrogatories, regardless of whether an administrative hearing or other civil proceeding has been or will be initiated; and

(d) employ site visits, public hearings, or any other procedures considered appropriate to obtain the information necessary to determine the issues.

Subd. 4. Any data or information pertaining to the diagnosis, treatment, or health of any enrollee, or any application obtained from any person, shall be (CONFIDENTIAL) *private as defined in chapter 13* and shall not be disclosed to any person except (a) to the extent (THAT IT MAY BE) necessary to carry out the purposes of sections 62D.01 to 62D.29, *the commissioner and his or her designee shall have access to the above data or information but the data removed from the health maintenance organization or participating entity shall not identify any particular patient or client by name or contain any other unique personal identifier*; (b) upon the express consent of the enrollee or applicant; (c) pursuant to statute or court order for the production of evidence or the discovery thereof; or (d) in the event of claim or litigation between such person and the provider or health maintenance organization wherein such data or information is pertinent. *In any case involving a suspected violation of law in which access to health data maintained by the health maintenance organization or participating entity is necessary, the commissioner and his or her agents, while maintaining the privacy rights of individuals and families, shall be permitted to obtain data that identifies any particular patient or client by name. If, as a result of the investigation, the commissioner deems it appropriate, the commissioner shall initiate any legal action or refer the matter to the appropriate legal authority and the commissioner may disseminate whatever data are necessary to fulfill his or her responsibilities.* A health maintenance organization shall be entitled to claim any statutory privileges against such disclosure which the provider who furnished such information to the health maintenance organization is entitled to claim.

Subd. 5. The commissioner of health shall have the power to administer oaths to and examine witnesses, and to issue subpoenas.

Subd. 6. Reasonable expenses of examinations under this section shall be assessed by the commissioner of health against the organization being examined, and shall be remitted to the commissioner of health for deposit in the general fund of the state treasury.

Subd. 7. *Failure to provide information necessary for conducting examinations pursuant to this section shall result in the levy of an automatic \$200 fine for each day the information is*

*not provided. A fine levied under this subdivision shall be subject to judicial review as provided by sections 14.63 to 14.69.*

Sec. 38. Minnesota Statutes 1982, section 62D.15, subdivision 1, is amended to read:

Subdivision 1. The commissioner of health may suspend or revoke any certificate of authority issued to a health maintenance organization under sections 62D.01 to 62D.29 if he finds that:

(a) The health maintenance organization is operating (SIGNIFICANTLY) in contravention of its basic organizational document, its health (CARE PLAN) *maintenance contract*, or in a manner contrary to that described in and reasonably inferred from any other information submitted under section 62D.03, unless amendments to such submissions have been filed with and approved by the commissioner of health;

(b) The health maintenance organization issues evidences of coverage which do not comply with the requirements of section 62D.07;

(c) The health maintenance organization is unable to fulfill its obligations to furnish comprehensive health maintenance services as required under its health (CARE PLAN) *maintenance contract*;

(d) The health maintenance organization is no longer financially responsible and may reasonably be expected to be unable to meet its obligations to enrollees or prospective enrollees;

(e) The health maintenance organization has failed to implement a mechanism affording the enrollees an opportunity to participate in matters of policy and operation under section 62D.06;

(f) The health maintenance organization has failed to implement the complaint system required by section 62D.11 in a manner designed to reasonably resolve valid complaints;

(g) The health maintenance organization, or any person acting with its sanction, has advertised or merchandised its services in an untrue, misrepresentative, misleading, deceptive, or unfair manner;

(h) The continued operation of the health maintenance organization would be hazardous to its enrollees; or

(i) The health maintenance organization has otherwise failed to (SUBSTANTIALLY) comply with sections 62D.01 to 62D.29 or with any other statute or administrative rule applicable to health maintenance organizations, or has submitted false information in any report required hereunder.

Sec. 39. Minnesota Statutes 1982, section 62D.17, subdivision 1, is amended to read:

Subdivision 1. The commissioner of health may, in lieu of suspension or revocation of a certificate of authority under section 62D.15, levy an administrative penalty in an amount (NOT LESS THAN \$100 NOR MORE THAN) up to \$10,000 for each violation. In the case of contracts or agreements made pursuant to section 62D.05, subdivisions 2 to 4, each contract or agreement entered into or implemented in a manner which violates sections 62D.01 to 62D.29 shall be considered a separate violation. Reasonable notice in writing to the health maintenance organization shall be given of the intent to levy the penalty and the reasons therefor, and the health maintenance organization (SHALL) may have a reasonable time within which to remedy the defect in its operations which gave rise to the penalty citation, or have an administrative hearing and review of the commissioner of health's determination. Such administrative hearing shall be subject to judicial review pursuant to chapter 14.

Sec. 40. Minnesota Statutes 1982, section 62D.17, subdivision 4, is amended to read:

Subd. 4. (a) The commissioner of health may issue an order directing a health maintenance organization or a representative of a health maintenance organization to cease and desist from engaging in any act or practice in violation of the provisions of sections 62D.01 to 62D.29.

(b) Within 20 days after service of the order to cease and desist, the respondent may request a hearing on the question of whether acts or practices in violation of sections 62D.01 to 62D.29 have occurred. Such hearings shall be subject to judicial review as provided by chapter 14.

*If the acts or practices alleged involve violation of the reporting requirements under section 62D.08, or if the commissioner of commerce has ordered the rehabilitation, liquidation, or conservation of the health maintenance organization in accordance with section 62D.18, there shall be no automatic stay of the cease and desist order. If a timely request for a hearing is made, the respondent may show cause why the order should be stayed pending completion of the administrative contested case process. Written arguments on this issue shall be filed with the commissioner no later than 30 days from the date the hearing is requested. The commissioner has ten days from the date the written arguments are filed to render a decision regarding the requested stay.*

*To the extent the acts or practices alleged do not involve violations of section 62D.08, if a timely request for a hearing is made, the cease and desist order shall be stayed for a period of 30 days from the date the hearing is requested. During this*

*stay, the respondent may show cause why the order should not become effective upon the expiration of the stay. Arguments on this issue shall be made through briefs filed with the commissioner no later than ten days prior to the expiration of the stay.*

Sec. 41. Minnesota Statutes 1982, section 62D.19, is amended to read:

62D.19 [UNREASONABLE EXPENSES.]

*Subdivision 1. No health maintenance organization shall incur or pay for any expense of any nature which is unreasonably high in relation to the value of the service or goods provided. The commissioner of insurance shall, pursuant to the administrative procedures act, promulgate rules to implement and enforce this section.*

*Subd. 2. [FACTORS.] In an effort to achieve the stated purposes of 62D.01 to 62D.29; in order to safeguard the underlying nonprofit mode of health maintenance organizations; and to ensure that the payment of health maintenance organization moneys to major participating entities results in a corresponding benefit to health maintenance enrollees, the commissioner of commerce shall give due consideration to the following factors when determining whether an organization has incurred an unreasonable expense in relation to a major participating entity:*

*(1) the expense incurred or paid by other health maintenance organizations and other health care delivery systems for the same or similar service or goods;*

*(2) the health maintenance organization's ability, at the time of making the agreement, to contract with other entities offering substantially similar service at a substantially lower cost to the organization;*

*(3) the impact of the expense incurred on the financial solvency of the health maintenance organization;*

*(4) all pertinent cost and service data obtained or obtainable by the commissioner of health from the health maintenance organization pursuant to sections 62D.03, 62D.04, 62D.08, 62D.12, and 62D.14 of the act; and*

*(5) such other information and information collection techniques as the commissioner may employ which show the real cost or fair market value of such service or goods.*

Sec. 42. Minnesota Statutes 1982, section 62D.22, subdivision 5, is amended to read:



Subd. 5. Except as otherwise provided in sections 62A.01 to 62A.42 and 62D.01 to 62D.29, and except as they eliminate elective, induced abortions, wherever performed, from health or maternity benefits, provisions of the insurance laws and provisions of nonprofit health service plan corporation laws shall not be applicable to any health maintenance organization granted a certificate of authority under sections 62D.01 to 62D.29.

Sec. 43. Minnesota Statutes 1982, section 62D.22, is amended by adding a subdivision to read:

*Subd. 9a. Any person or committee conducting a review of a health maintenance organization or a participating entity, pursuant to sections 62D.01 to 62D.29, shall have access to any data or information necessary to conduct the review. All data or information is subject to admission into evidence in any civil action initiated by the commissioner of health against the health maintenance organization. The data and information are subject to chapter 13.*

Sec. 44. [INTERAGENCY AGREEMENT.]

*In order to implement the provisions of 62D.01 to 62D.30, the commissioner of health and commissioner of commerce shall enter into an agreement for coordinated enforcement of laws pertaining to health maintenance organizations. The agreement shall contain procedures whereby each commissioner, to the extent resources are available, shall provide technical assistance to the other in those policy matters which each commissioner has unique, specialized expertise.*

Sec. 45. [REPEALER.]

*Minnesota Statutes 1982, sections 62D.10, subdivision 2; 62D.12, subdivision 7; 62D.22, subdivision 9; 62D.27; and 62E.17, are repealed.*

Sec. 46. [EFFECTIVE DATE.]

*Sections 17 and 24 are effective January 1, 1985."*

Delete the title and insert:

**"A bill for an act relating to health; health maintenance organizations; providing continued coverage upon replacement of an insurance carrier; including health maintenance organization contracts in certain statutorily mandated coverages; providing for the disclosure and reporting by the organization of detailed financial, administrative and ownership information; providing for reporting of changes in provider agreements; granting the commissioner authority to adopt rules regarding the content of**

provider and other agreements; requiring certain deposits against insolvency; authorizing organizations to enter into certain health services contracts; requiring certain consumer rights information in evidences of coverage and annual information statements; providing for reimbursement of, and direct payments to, enrollees; providing for examination by the commissioner of health; specifying the examination powers of the commissioner; classifying certain data used for review purposes; prescribing penalties; amending Minnesota Statutes 1982, sections 60A.082; 62A.041; 62A.042; 62A.044; 62A.14; 62A.147; 62D.02, subdivision 8, and by adding subdivisions; 62D.04; 62D.05, subdivision 3; 62D.07, subdivisions 1, 3, and by adding subdivisions; 62D.08, subdivisions 1, 3, and by adding subdivisions; 62D.09; 62D.10, subdivision 3, and by adding a subdivision; 62D.101, subdivisions 2 and 2a; 62D.12, subdivisions 1, 2, 4, 9, 10, and by adding subdivisions; 62D.14; 62D.15, subdivision 1; 62D.17, subdivisions 1 and 4; 62D.19; 62D.22, subdivision 5, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, sections 62A.17, subdivision 6; 62D.03, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 62D; repealing Minnesota Statutes 1982, sections 62D.10, subdivision 2; 62D.12, subdivision 7; 62D.22, subdivision 9; 62D.27; and 62E.17."

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. 1588, A bill for an act relating to public welfare; clarifying eligibility requirements for the state general assistance program; amending Minnesota Statutes 1982, section 256D.15; Minnesota Statutes 1983 Supplement, sections 256D.01, subdivision 1; and 256D.111, subdivisions 1, 2, and 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 256D.01, subdivision 1, is amended to read:

Subdivision 1. [POLICY (; STANDARDS OF ASSISTANCE).] The objectives of sections 256D.01 to 256D.21 are to provide a sound administrative structure for public assistance programs; to maximize the use of federal money for public assistance purposes; and to provide an integrated public assistance program for all persons in the state without adequate income or resources to maintain a subsistence reasonably compatible with decency and health.

It is declared to be the policy of this state that persons unable to provide for themselves and not otherwise provided for by law and who meet the eligibility requirements of sections 256D.01 to 256D.21 are entitled to receive grants of general assistance necessary to maintain a subsistence reasonably compatible with decency and health. Providing this assistance is a matter of public concern and a necessity in promoting the public health and welfare.

*Subd. 1a. [STANDARDS.] A principal objective in providing general assistance is to provide for persons ineligible for federal programs who are unable to provide for themselves. To achieve these aims, the commissioner shall establish minimum standards of assistance for general assistance. The minimum standard of assistance determines the total amount of the general assistance grant without separate standards for shelter, utilities, or other needs and shall not be less than the combined total of the minimum standards of assistance for shelter and basic needs in effect on February 1, 1983. The standards of assistance shall not be lower for a recipient sharing a residence with another person unless that person is a responsible relative (OF THE RECIPIENT WHO IS ALSO ELIGIBLE FOR GENERAL ASSISTANCE). The standards shall be lowered for recipients who share a residence with a responsible relative who also receives general assistance. For recipients who are not exempt from registration with the department of economic security pursuant to section 256D.111, subdivision 2, clauses (a), (f), (g), and (h), and who share a residence with a responsible relative who is not eligible for general assistance, the standards shall be lowered, subject to these limitations:*

*(a) The general assistance grant shall be reduced no lower than the point at which the total income of the household, including the general assistance recipient, equals the AFDC standard for a household of like size and composition.*

*(b) Benefits received by a responsible relative under the supplemental security income program, the social security disability program, a workers' compensation program, the Minnesota supplemental aid program, or on the basis of the relative's disability, must not be included in the household income calculation.*

*If the responsible relative is receiving AFDC benefits, then the amount payable to the general assistance recipient must not exceed the amount that would be attributable to him if he were included in the AFDC grant.*

*Subd. 1b. [RULES.] The commissioner shall adopt temporary and permanent rules to set standards of assistance to conform with subdivision 1a. The minimum standards of assistance shall authorize the payment of rates negotiated by local agencies for recipients living in a room and board arrangement. In order*

to maximize the use of federal funds, the commissioner shall adopt rules, to the extent permitted by federal law for eligibility for the emergency assistance program under aid to families with dependent children, and under the terms of sections 256D.01 to 256D.21 for general assistance, to require use of the emergency program under aid to families with dependent children as the primary financial resource when available. The commissioner shall provide by rule for eligibility for general assistance of persons with seasonal income, and may attribute seasonal income to other periods not in excess of one year from receipt by an applicant or recipient.

Sec. 2. Minnesota Statutes 1982, section 256D.02, subdivision 6, is amended to read:

Subd. 6. "Child" means an *adult or minor child of an individual (WHO IS UNDER THE AGE OF 18)*.

Sec. 3. Minnesota Statutes 1982, section 256D.02, subdivision 8, is amended to read:

Subd. 8. "Income" means any form of income, including remuneration for services performed as an employee and net earnings from self-employment, reduced by the amount attributable to employment expenses as defined by the commissioner. The amount attributable to employment expenses shall include amounts paid or withheld for federal and state personal income taxes and federal social security taxes.

"Income" includes any payments received as an annuity, retirement, or disability benefit, including veteran's or workers' compensation; old age, survivors, and disability insurance; railroad retirement benefits; unemployment benefits; and benefits under any federally aided categorical assistance program, supplementary security income, or other assistance program; rents, dividends, interest and royalties; and support and maintenance payments (EXCEPT THAT). Such payments may not be considered as available to meet the needs of any person other than the person for whose benefit they are received, unless that person is under a legal duty to support another family member *and the income is not excluded under section 256D.01, subdivision 1a*. Goods and services provided in lieu of cash payment shall be excluded from the definition of income, *except that payments made for room, board, tuition or fees by a parent, on behalf of a child enrolled as a full-time student in a post-secondary institution, shall be included as income*.

Sec. 4. Minnesota Statutes 1982, section 256D.02, is amended by adding a subdivision to read:

Subd. 15. "*Full-time student*" means a student at a post-secondary institution who attends training for a minimum of

*25 hours per week if the training does not involve shop practice and for a minimum of 30 hours per week if the training involves shop practice, or who registers for and attends a minimum of 12 semester hours per semester or 12 quarter hours per quarter.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 256D.111, subdivision 1, is amended to read:

256D.111 [REGISTRATION FOR WORK; DISQUALIFICATION.]

Subdivision 1. [REGISTRATION REQUIREMENT.] Unless exempt in accordance with the provisions of subdivision 2, an adult who is a recipient of general assistance and who is not employed is required to register for employment services with the department of economic security, be available for work and comply with reasonable reporting and job search requirements as established by the commissioner of economic security in permanent or temporary rule, and accept any offer of suitable employment. *The department of economic security shall promptly verify the names of persons registered under this subdivision for the county welfare agencies.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 256D.111, subdivision 2, is amended to read:

Subd. 2. [EXEMPTIONS.] A recipient is not required to register for employment services with the department of economic security and comply with the other requirements of subdivision 1 if he is:

(a) a person who is suffering from a permanent or temporary illness, injury, or incapacity which is medically certified and which prevents the person from obtaining or retaining employment;

(b) a person whose presence in the home on a substantially continuous basis is required because of the certified illness, injury, incapacity, or the age 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, or in an approved chemical dependency domiciliary facility, 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 section 256D.05, subdivision 3;

(e) a person who is or may be eligible for displaced homemaker services, programs, or assistance under section 4.40, but only if that person is enrolled as a full-time student;

(f) a person not described in clause (a) or (c) who is diagnosed by a licensed physician or licensed consulting psychologist as mentally retarded or mentally ill, and that condition prevents the person from obtaining or retaining employment;

(g) a person who has an application pending for the social security disability program or the program of supplemental security income for the aged, blind and disabled, or who has been terminated from either program and has an appeal from that termination pending;

(h) a person who is unable to obtain or retain employment because his advanced age significantly affects his ability to seek or engage in substantial work;

(i) a person *completing a secondary education program or one* who has been referred to, has applied for, or is in a work training, work experience, vocational rehabilitation, or other (EMPLOYMENT RELATED EDUCATIONAL) *vocational or technical training* program; (BUT) *however*, the period of time *that* the person is exempted (PURSUANT TO) *under* this clause (,) while (AWAITING) *waiting* for acceptance into the program (,) shall not (EXCEED) *be more than* two months;

(j) an adult member of a household with children in which another adult is employed full time or has registered for employment services with the department of economic security or been accepted in a work training program; or

(k) a person who has been certified as unemployable by the commissioner of economic security.

Sec. 7. Minnesota Statutes 1983 Supplement, section 256D.111, subdivision 5, is amended to read:

Subd. 5. [RULEMAKING.] The commissioner shall adopt rules and is authorized to adopt temporary rules:

(a) providing for a reasonable period of disqualification from the receipt of general assistance for a recipient who is not exempt pursuant to subdivision 2 and who has been finally determined pursuant to the procedure prescribed in subdivision 4 to have failed to comply with the requirements of subdivision 1, provided that the period of disqualification for the first failure to comply shall not exceed one month, *unless a recipient is disqualified as unavailable for work due to full-time student status as defined in section 256D.02, subdivision 15;*

(b) providing for the use of vouchers or vendor payments with respect to the family of a recipient described in clause (a); and

(c) providing that at the time of the approval of an application for general assistance, the local agency gives to the recipient a written notice in plain and easily understood language describing the recipient's job registration, search, and acceptance obligations under this section, and the period of disqualification that will be imposed for a failure to comply with those obligations.

Sec. 8. Minnesota Statutes 1982, section 256D.15, is amended to read:

256D.15 [RELATIVE'S RESPONSIBILITY.]

The financial responsibility of a relative for an applicant for or recipient of general assistance shall not extend beyond the relationship of a spouse (,) or a parent of an (APPLICANT OR RECIPIENT WHO IS A CHILD) *adult child who resides with the parent, or the parent of a minor child regardless of where the minor child resides.*"

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 256D.02, subdivisions 6 and 8, and by adding a subdivision; and"

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. 1601, A bill for an act relating to commerce; providing a lien for agricultural production inputs; establishing priority and foreclosure requirements; amending Minnesota Statutes 1983 Supplement, section 336.9-312; proposing new law coded in Minnesota Statutes, chapter 514.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 336.9-312, is amended to read:

**336.9-312 [PRIORITIES AMONG CONFLICTING SECURITY INTERESTS IN THE SAME COLLATERAL.]**

(1) The rules of priority stated in other sections of this part and in the following sections shall govern when applicable: section 336.4-208 with respect to the security interests of collecting banks in items being collected, accompanying documents and proceeds; section 336.9-103 on security interests related to other jurisdictions; section 336.9-114 on consignments.

(2) (A PERFECTED SECURITY INTEREST IN CROPS FOR NEW VALUE GIVEN TO ENABLE THE DEBTOR TO PRODUCE THE CROPS DURING THE PRODUCTION SEASON AND GIVEN NOT MORE THAN THREE MONTHS BEFORE THE CROPS BECOME GROWING CROPS BY PLANTING OR OTHERWISE TAKES PRIORITY OVER AN EARLIER PERFECTED SECURITY INTEREST TO THE EXTENT THAT SUCH EARLIER INTEREST SECURES OBLIGATIONS DUE MORE THAN SIX MONTHS BEFORE THE CROPS BECOME GROWING CROPS BY PLANTING OR OTHERWISE, EVEN THOUGH THE PERSON GIVING NEW VALUE HAD KNOWLEDGE OF THE EARLIER SECURITY INTEREST) *Sections 3 to 8 govern the priority of agricultural production input liens in relation to each other and in relation to other security interests in the same crops or livestock.*

(3) A perfected purchase money security interest in inventory has priority over a conflicting security interest in the same inventory and also has priority in identifiable cash proceeds received on or before the delivery of the inventory to a buyer if

(a) the purchase money security interest is perfected at the time the debtor receives possession of the inventory; and

(b) the purchase money secured party gives notification in writing to the holder of the conflicting security interest if the holder had filed a financing statement covering the same types of inventory (i) before the date of the filing made by the purchase money secured party, or (ii) before the beginning of the 21 day period where the purchase money security interest is temporarily perfected without filing or possession (subsection (5) of section 336.9-304); and

(c) the holder of the conflicting security interest receives the notification within five years before the debtor receives possession of the inventory; and

(d) the notification states that the person giving the notice has or expects to acquire a purchase money security interest in inventory of the debtor, describing such inventory by item or type.



(4) A purchase money security interest in collateral other than inventory has priority over a conflicting security interest in the same collateral or its proceeds if the purchase money security interest is perfected at the time the debtor receives possession of the collateral or within 20 days thereafter.

(5) In all cases not governed by other rules stated in this section (including cases of purchase money security interests which do not qualify for the special priorities set forth in subsections (3) and (4) of this section), priority between conflicting security interests in the same collateral shall be determined according to the following rules:

(a) Conflicting security interests rank according to priority in time of filing or perfection. Priority dates from the time a filing is first made covering the collateral or the time the security interest is first perfected, whichever is earlier, provided that there is no period thereafter when there is neither filing nor perfection.

(b) so long as conflicting security interests are unperfected, the first to attach has priority.

(6) For the purposes of subsection (5) a date of filing or perfection as to collateral is also a date of filing or perfection as to proceeds.

(7) If future advances are made while a security interest is perfected by filing, the taking of possession, or under section 336.8-321 on securities, the security interest has the same priority for the purposes of subsection (5) with respect to the future advances as it does with respect to the first advance. If a commitment is made before or while the security interest is so perfected, the security interest has the same priority with respect to advances made pursuant thereto. In other cases a perfected security interest has priority from the date the advance is made.

Sec. 2. Minnesota Statutes 1982, section 386.42, is amended to read:

**386.42 [ABSTRACT OF MORTGAGES AND LIENS ON GRAIN CROPS FOR ELEVATOR COMPANIES.]**

Any elevator company or grain buyer doing business in this state may annually make written application to the county recorder for an abstract of all designated mortgages and liens upon grains grown during the year (WITHIN THE) *filed with the county recorder*. The application shall state the name and the post office address of the company and be accompanied by a fee. The fee shall be determined by resolution of the county board upon the recommendation of the county recorder based upon the estimated cost of providing the service.

## Sec. 3. [514.950] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 3 to 8.*

*Subd. 2. [AGRICULTURAL CHEMICAL.] "Agricultural chemical" means fertilizers or agricultural chemicals that are applied to crops or land that is used for raising crops, including fertilizer material, plant amendment, plant food, and soil amendment as defined in section 17.713, and pesticide and plant regulator as defined in section 18A.21.*

*Subd. 3. [AGRICULTURAL PRODUCTION INPUT.] "Agricultural production input" means crop production inputs and livestock production inputs.*

*Subd. 4. [CROP PRODUCTION INPUT.] "Crop production input" means agricultural chemicals, seeds, petroleum products, the custom application of agricultural chemicals and seeds, and labor used in preparing the land for planting, cultivating, growing, producing, harvesting, drying, and storing crops or crop products.*

*Subd. 5. [FEED.] "Feed" means commercial feeds, feed ingredients, mineral feeds, drugs, animal health products, or customer-formula feeds that are used for feeding livestock, including commercial feed as defined in section 25.33.*

*Subd. 6. [LETTER OF CREDIT.] "Letter of credit" means a binding, irrevocable, and unconditional agreement by a financial institution to honor drafts or other demands for payment.*

*Subd. 7. [LIVESTOCK PRODUCTION INPUT.] "Livestock production input" means feed and labor used in raising livestock.*

*Subd. 8. [PERSON.] "Person" means an individual or an organization as defined in section 336.1-201, paragraph (30).*

*Subd. 9. [PETROLEUM PRODUCT.] "Petroleum product" means motor fuels and special fuels that are used in the production of crops and livestock, including petroleum products as defined in section 296.01, alcohol fuels, propane, lubes, and oils.*

*Subd. 10. [PROCEEDS.] "Proceeds" means proceeds as defined in section 336.9-306 except that if rights or duties are contingent upon express language in a financing statement, the requisite language may exist in a lien statement under section 5, and includes farm products, inventory, warehouse receipts, and documents of title.*

*Subd. 11. [SEED.] "Seed" means agricultural seeds that are used to produce crops, including agricultural seed as defined in section 21.47.*

*Subd. 12. [SUPPLIER.] "Supplier" means a person who furnishes agricultural production inputs.*

**Sec. 4. [514.952] [AGRICULTURAL INPUT LIEN; REQUIREMENTS; PRIORITY.]**

*Subdivision 1. [NOTIFICATION OF AN AGRICULTURAL PRODUCTION INPUT LIEN.] A supplier may notify a lender of an agricultural production input lien by certified letter or by another verifiable method. A lien-notification statement must be delivered to lender in an envelope that states "IMPORTANT—LEGAL NOTICE."*

*Subd. 2. [LIEN-NOTIFICATION STATEMENT.] The lien-notification statement must disclose the following:*

*(1) the name and business address of any lender designated as a lender providing a line of credit;*

*(2) the name and address of the person claiming the lien;*

*(3) a description and the date or anticipated date of the transaction and the retail cost of the agricultural production input that was furnished;*

*(4) the name, residential address, and signature of the person to whom the agricultural production input was furnished;*

*(5) the name and residential address of the owner and the legal description or the location of the real property where the crops to which the lien attaches are growing or are to be grown; or for a lien attaching to livestock, the name and residential address of the owner of the livestock, the location where the livestock will be raised, and a description of the livestock; and*

*(6) A statement that products and proceeds of the crops or livestock are covered by the agricultural input lien.*

*Subd. 3. [RESPONSE OF LENDER TO NOTIFICATION.] Within five calendar days after receiving a lien-notification statement, the lender must respond to the supplier with either:*

*(1) a letter of credit; or*

*(2) a written refusal to issue a letter of credit.*

*Subd. 4. [EFFECT OF RESPONSE.] (a) If a lender responds with a letter of credit, the supplier may not obtain a lien for the amount stated in the letter of credit.*

*(b) If a lender responds with a refusal to provide a letter of credit, the supplier may obtain a lien for the unpaid retail cost of the agricultural production input.*

*Subd. 5. [EFFECT OF NO RESPONSE.] If a lender does not respond to the supplier within five calendar days after receiving the lien-notification statement, an agricultural production input lien corresponding to the lien-notification statement has priority over any security interest of the lender in the same crops or livestock or their proceeds for the lesser of:*

*(1) the amount stated in the lien-notification statement; or*

*(2) the unpaid retail cost of the agricultural production input identified in the lien-notification statement.*

*Subd. 6. [LIEN PRIORITY.] An agricultural production input lien does not have priority over liens that arise under chapter 395 or 514. Perfected agricultural production input liens have priority in the order that the lien-notification statements are filed with the filing officer.*

**Sec. 5. [514.954] [LIEN ATTACHMENT.]**

*Subdivision 1. [LIEN ON CROPS.] A supplier who furnishes crop production inputs has an agricultural input lien for the unpaid retail cost of the crop production inputs. The lien attaches to: (1) the existing crops upon the land where a furnished agricultural chemical was applied, or if no crops exist, to the next production crop within 16 months following the last date on which the agricultural chemical was applied; (2) the crops produced from furnished seed; or (3) the crops produced, harvested, or processed using a furnished petroleum product. The lien continues in crop products and proceeds, except that the lien does not continue in grain after a cash sale under section 223.16.*

*Subd. 2. [LIEN ON LIVESTOCK.] A supplier who furnishes livestock production inputs has an agricultural production input lien for the unpaid retail cost of the livestock production input. The lien attaches to all livestock consuming the feed and continues in livestock products and proceeds. A perfected agricultural production input lien that attaches to livestock is for the amount that is the greater of: (1) the difference between the fair market value of the livestock at the time the lien attaches and the sale price, or (2) the difference between the acquisition price of the livestock and the sale price.*

**Sec. 6. [514.956] [PERFECTION OF LIEN; FILING.]**

*Subdivision 1. [PERFECTION.] To perfect an agricultural production input lien, the lien must attach and the supplier entitled to the lien must file a verified lien-notification statement with the appropriate filing office under section 336.9-401 by six months after the last date that the agricultural production input was furnished.*

*Subd. 2. [FAILURE TO PERFECT.] An agricultural production input lien that is not perfected has the priority of an unperfected security interest under section 336.9-312.*

*Subd. 3. [DUTIES OF FILING OFFICER.] The filing officer shall enter on the lien-notification statement the time of day and date of filing. The filing officer shall note the filing of a lien-notification statement under this section in the manner provided by section 336.9-403 for a financing statement.*

**Sec. 7. [514.958] [ENFORCEMENT OF LIEN.]**

*The holder of an agricultural production input lien may enforce the lien in the manner provided in sections 336.9-501 to 336.9-508 subject to section 550.17. For enforcement of the lien, the lienholder is the secured party and the person for whom the agricultural production input was furnished is the debtor, and each has the respective rights and duties of a secured party and a debtor under sections 336.9-501 to 336.9-508. If a right or duty under sections 336.9-501 to 336.9-508 is contingent upon the existence of express language in a security agreement or may be waived by express language in a security agreement, the requisite language does not exist.*

**Sec. 8. [514.959] [ENFORCEMENT ACTIONS; LIEN EXTINGUISHED.]**

*An action to enforce an agricultural production input lien may be brought in district court in a county where some part of the crop or livestock is located after the lien is perfected. A lien-notification statement may be amended, except the amount demanded, by leave of the court in the furtherance of justice. An agricultural production input lien is extinguished if an action to enforce the lien is not brought within 18 months after the date the lien-notification statement is filed.*

**Sec. 9. [EFFECTIVE DATE.]**

*This act is effective July 1, 1984, except that an agricultural input lien may not attach to crops planted before December 1, 1984."*

Delete the title and insert:

"A bill for an act relating to commerce; providing a lien for agricultural production inputs; establishing priority and foreclosure requirements; amending Minnesota Statutes 1982, section 386.42; and Minnesota Statutes 1983 Supplement, section 336.9-312; proposing new law coded in Minnesota Statutes, chapter 514."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Financial Institutions and Insurance.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1606, A bill for an act relating to elections; prohibiting certain inquiries of voters at or near the polls; amending Minnesota Statutes 1982, section 204C.06, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1632, A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivision 8; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; amending Minnesota Statutes 1983 Supplement, sections 82.22, subdivision 6; and 82.34, subdivision 7.

Reported the same back with the following amendments:

Pages 2 and 3, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 1982, section 80A.14, subdivision 4, is amended to read:

Subd. 4. [BROKER-DEALER.] "Broker-dealer" means any person engaged in the business of effecting transactions in securities for the account of others or for his own account.

"Broker-dealer" does not include:

- (1) an agent;
- (2) an issuer;
- (3) a (BANK, SAVINGS INSTITUTION OR) trust company (,); or
- (4) *a bank, savings institution, savings and loan association*
  - (i) *acting for the account of others, provided that such activities are conducted in compliance with such rules and regulations as may be adopted by the commissioner;*
  - (ii) *acting for its own account; or,*
  - (iii) *acting in a fiduciary capacity pursuant to the powers and privileges conferred by sections 48.36 to 48.49;*
- (5) a person who has no place of business in this state if he effects transactions in this state exclusively with or through
  - (i) the issuers of the securities involved in the transactions, (ii) other broker-dealers, or (iii) banks, savings institutions, trust companies, insurance companies, investment companies as defined in the Investment Company Act of 1940, pension or profit sharing trusts, or other financial institutions or institutional buyers, or to broker-dealers, whether the purchaser is acting for itself or in some fiduciary capacity; or
- ((5)) (6) other persons not within the intent of this subsection whom the commissioner by rule or order designates."

Page 8, after line 19, insert:

"Sec. 7. Minnesota Statutes 1982, section 82.20, subdivision 9, is amended to read:

Subd. 9. [TERMINATIONS; TRANSFERS.] (a) Except as provided in paragraph (b), when a salesperson termi-

nates his activity on behalf of a broker, the salesperson's license shall be ineffective. Within ten days of the termination the broker shall notify the commissioner in writing, and shall return to the commissioner the license of the salesperson. The salesperson may apply for transfer of the license to another broker at any time during the remainder of the license period, on forms provided by the commissioner. If the application for transfer qualifies, the commissioner shall grant the application. Upon receipt of a transfer application and payment of the transfer fee, the commissioner may issue a 45 day temporary license. If an application for transfer is not made within the license period, the commissioner shall require that an application for a new license be filed.

(b) When a salesperson terminates his activity on behalf of a broker in order to begin association immediately with another broker, the commissioner shall permit the automatic transfer of the salesperson's license. The transfer shall be effective either upon the mailing of the required fee and the executed documents by certified mail or upon personal delivery of the fee and documents to the commissioner's office. The commissioner may adopt rules and prescribe forms as necessary to implement this paragraph.

*(c) When a broker terminates his activity in order to begin association with another broker, the commissioner shall permit the automatic transfer of the broker's license to a salesperson's license. If there are licensed salespersons working for the broker he shall certify that a broker will remain in the company he is leaving prior to issuance of the transfer. The transfer shall be effective either upon the mailing of the required fee and the executed documents by certified mail or upon personal delivery of the fee and documents to the commissioner's office."*

Page 11, after line 11, insert:

"Sec. 12. Minnesota Statutes 1983 Supplement, section 82.22, subdivision 13, is amended to read:

Subd. 13. [CONTINUING EDUCATION.] (a) After July 1, 1978, all real estate salespersons not subject to or who have completed the educational requirements contained in subdivision 6 and all real estate brokers shall be required to successfully complete 45 hours of real estate education, either as a student or a lecturer, in courses of study approved by the commissioner, within three years after their annual renewal date.

(b) For the purposes of administration, the commissioner shall classify by lot, the real estate brokers and salespersons subject to (a) above, in three classifications of substantially equal size. The first class shall complete 15 hours of approved real estate study between July 1, 1978 and June 30, 1979 in-



clusive. The second class shall complete 30 hours of approved real estate study between the dates of July 1, 1978 and June 30, 1980 inclusive. The third class shall complete 45 hours of approved real estate study between the dates of July 1, 1978 and June 30, 1981. After the first period, each class shall complete the prescribed educational requirements during successive three year periods.

(c) The commissioner shall adopt rules defining the standards for course and instructor approval, and may adopt rules for the proper administration of this subdivision.

(d) Any program approved by Minnesota Continuing Legal Education shall be approved by the commissioner of (SECURITIES AND REAL ESTATE) *commerce* for continuing education for real estate brokers and salespeople if the program or any part thereof relates to real estate. *If the course consists of less than 50 percent substantive and procedural knowledge of real estate, credit shall be granted only for the portion directly related to real estate.*"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 23, delete "subdivision 8" and insert "subdivisions 8 and 9"

Page 1, line 26, delete "subdivision 6" and insert "subdivisions 6 and 13"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1633, A bill for an act relating to metropolitan government; allowing the mosquito control district to take certain actions; amending Minnesota Statutes 1982, section 473.704, subdivision 17.

Reported the same back with the following amendments:

Page 1, line 24, strike "spray with" and insert "apply"

Page 2, line 1, after the period insert "*The commission shall give reasonable notification to the governing body of the local*

*unit of government prior to applying insecticides outside of the district on land located within the jurisdiction of the local unit of government."*

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1635, A bill for an act relating to commerce; providing various definitions applicable to the regulation of sales of subdivided lands; providing for the registration of subdivided lands; requiring the use of public offering statements; providing certain exemptions to the subdivided land statutes; providing for the rescission of subdivided land sales contracts; regulating the filing of subdivided land documents; prohibiting the publishing of false, misleading, or deceptive advertising regarding subdivided lands; providing the filing of annual reports; regulating supplemental subdivided land reports; providing for the revocation or suspension of a subdivided land registration; regulating service of process on subdivided land registration applicants; establishing prohibited practices; prescribing penalties; amending Minnesota Statutes 1982, sections 83.20, subdivisions 1, 5, 11, and by adding subdivisions; 83.21; 83.23; 83.24; 83.25, subdivision 1; 83.26; 83.27; 83.28; 83.29, by adding subdivisions; 83.30; 83.31; 83.33, subdivisions 1 and 2; 83.34, subdivision 1; 83.35; 83.36; 83.37; 83.38, subdivision 2; 83.39; 83.40; 83.41; 83.42; proposing new law coded in Minnesota Statutes, chapter 83; repealing Minnesota Statutes 1982, section 83.33, subdivision 3.

Reported the same back with the following amendments:

Page 3, line 22, delete "*camping*"

Page 3, line 23, delete "*club,*"

Pages 3 and 4, delete section 6

Page 4, lines 16 and 36, delete "*30 and 31*" and insert "*29 and 30*"

Page 15, line 13, delete "*30*" and insert "*29*"

Page 15, line 14, delete "*31*" and insert "*30*"

Page 16, line 24, delete "*30 and 31*" and insert "*29 and 30*"

Page 16, line 26, delete "and"

Page 16, line 26, after "83.30" insert ", and 83.31"

Page 18, line 34, after "13" delete the comma and insert "and"  
and after "14" delete ", and"

Page 18, line 35, delete "15"

Page 20, line 4, delete "30" and insert "29"

Page 20, line 5, delete "31" and insert "30"

Page 21, lines 9 and 30, delete "30 and 31" and insert "29 and 30"

Page 22, line 36, delete "30 and 31" and insert "29 and 30"

Page 24, line 24, delete "30" and insert "15"

Page 26, line 15, delete "10" and insert "9"

Page 26, line 17, delete "30" and insert "29"

Page 26, line 18, delete "31" and insert "30"

Page 26, lines 19, 26, and 28, delete "30 and 31" and insert "29 and 30"

Page 27, lines 3 and 36, delete "30 and 31" and insert "29 and 30"

Page 28, line 17, delete "30 and 31" and insert "29 and 30"

Page 29, lines 27 and 31, delete "30 and 31" and insert "29 and 30"

Page 30, line 14, delete "31" and insert "30"

Page 30, line 28, delete "30 and 31" and insert "29 and 30"

Page 30, line 36, delete "31" and insert "30"

Page 31, line 18, delete "30 and 31" and insert "29 and 30"

Page 32, line 6, delete "31" and insert "30"

Page 32, lines 16 and 31, delete "30 and 31" and insert "29 and 30"

Page 33, lines 2, 20, and 31, delete "30 and 31" and insert "29 and 30"

Page 34, line 15, delete "30" and insert "29"

Page 34, line 16, delete "31" and insert "30"

Page 34, lines 18 and 22, delete "30 and 31" and insert "29 and 30"

Page 35, lines 1, 2, and 11, delete "30 and 31" and insert "29 and 30"

Page 35, lines 30 and 31, delete "31" and insert "30"

Page 36, line 17, delete "32" and insert "31"

Renumber the sections in sequence

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1651, A bill for an act relating to crimes; setting penalties for flight from a peace officer under certain conditions; amending Minnesota Statutes 1982, section 609.487, subdivision 4.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1982, section 65B.605, subdivision 2, is amended to read:

Subd. 2. [PEACE OFFICER; DEFINITION.] For purposes of this section, "peace officer" means an employee of a political subdivision or state law enforcement agency who is licensed by the Minnesota board of peace officer standards and training, charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has the full power of arrest, and shall also include the Minnesota state patrol and Minnesota conservation officers.

Sec. 2. Minnesota Statutes 1982, section 609.487, subdivision 2, is amended to read:

Subd. 2. [PEACE OFFICER; DEFINITION.] For purposes of this section, "peace officer" means an employee of a political subdivision or state law enforcement agency who is licensed by the Minnesota board of peace officer standards and training, charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has the full power of arrest, and shall also include the Minnesota state patrol and Minnesota conservation officers."

Page 2, after line 1, insert:

"Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day following final enactment."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "including conservation officers as peace officers authorized to enforce the crime of fleeing a peace officer and related laws;"

Page 1, line 4, delete "section" and insert "sections 65B.605, subdivision 2; and"

Page 1, line 4, delete "subdivision" and insert "subdivisions 2 and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1658, A bill for an act relating to elections; requiring employers to pay employees during their service as election judges; amending Minnesota Statutes 1983 Supplement, section 204B.195.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1660, A bill for an act relating to public welfare; directing the commissioner of public welfare to study the need for a home and community-based service and apply for a waiver for chronically ill children under the federal medicaid program; proposing new law coded in Minnesota Statutes, chapter 256B.

Reported the same back with the following amendments:

Page 1, line 14, after "*been*" insert "*and will continue to be*" and delete "*for a period longer than six*"

Page 1, line 15, delete "*months, and would continue to be hospitalized*"

Page 1, line 25, delete "*as amended through December 31, 1982*"

Page 2, line 2, delete "*social*" and insert "*supplemental*"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1671, A bill for an act relating to communications; creating the Minnesota telecommunications council; appropriating money; proposing new law coded as Minnesota Statutes, chapter 16B.

Reported the same back with the following amendments:

Page 2, line 7, delete "*21*" and insert "*23*"

Page 2, delete lines 8 to 14 and insert:

*"(1) four members, appointed by the governor, representing elementary and secondary education, vocational technical education, public and private higher education, and librarians;*

*(2) four members, appointed by the governor, representing state agencies;"*

Page 2, line 15, delete "*(6)*" and insert "*(3)*"

Page 2, line 15, after "*commission*" insert "*, or a designee of the chair*"

Page 2, line 16, delete "(7)" and insert "(4)"

Page 2, line 16, after "*board*" insert "*, or a designee of the chair*"

Page 2, line 17, delete "(8)" and insert "(5)"

Page 2, line 18, delete "*and*"

Page 2, after line 18, insert :

*"(6) two members, appointed by the governor, representing the telecommunications industry and two members, appointed by the governor, of labor organizations which represent telecommunications workers;*

*(7) two public members, appointed by the governor, who are not employed in the telecommunications industry; and"*

Page 2, line 19, delete "(9)" and insert "(8)" and delete "*ten*" and insert "*six*"

Page 2, line 21, delete "*appoint*" and insert "*include, but is not limited to,*"

Page 2, line 23, after "*systems,*" insert "*and*" and after "*government*" delete "*, and*"

Page 2, line 24, delete everything before the period

Page 3, line 20, after "*laws*" insert "*pertinent to the council's duties*"

Page 3, line 21, after "*of*" insert "*federal,*"

Page 3, after line 31, insert :

*"The council may accept gifts and grants in furtherance of the purposes of sections 1 to 3."*

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1673, A bill for an act relating to state government; providing for purchase of certain computer equipment by state employees; proposing new law coded in Minnesota Statutes, chapter 16.

Reported the same back with the following amendments:

Page 1, line 9, before "A" insert "*Notwithstanding any law to the contrary,*"

Page 1, line 12, delete "*must*" and insert "*may*"

Page 1, line 16, after the period insert "*A vendor may provide for the purchases permitted under this section to be made through retail stores which agree to make these sales.*"

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. 1678, A bill for an act relating to insurance; clarifying annual statement filing requirements; providing for the suspension of authority of self-insurance entities or self-insurers; modifying certain existing fees and providing certain new fees; transferring certain duties of the commissioner of commerce to the commissioner of revenue; establishing certain taxation filing requirements; providing for agent license renewals; authorizing the issuance of orders to show cause relating to license revocations; clarifying continuing education reporting requirements; modifying certain insurance licensing dates; providing for the service of process on foreign companies and unauthorized insurers; removing the countersignature requirement for certain bid bonds and insurance policies; clarifying policy form filing requirements; providing for the use of health insurance claim forms; providing for the use of fire insurance binders; modifying the definitions of "motorcycle," "motor vehicle," "policy," and "utility vehicle" for purposes of automobile insurance regulation; increasing certain liability coverage on automobile insurance plan policies; providing for the cancellation or nonrenewal of a policy; defining "plan of reparation security"; requiring certain premium reports to be filed with the commissioner; prohibiting discrimination based on sex or marital status; modifying the expiration date of adjuster's licenses; providing for the appointment of the board of the com-



pensation reinsurance association; making various technical changes; providing remedies; prescribing penalties; appropriating money; amending Minnesota Statutes 1982, sections 60A.13, subdivision 6, and by adding a subdivision; 60A.15, subdivisions 1, 2, 2a, 6, 8, 9, 10, and by adding subdivisions; 60A.17, subdivisions 3, 5b, and by adding a subdivision; 60A.18, subdivision 3; 60A.19, subdivision 4; 60A.199; 60A.21, subdivision 2; 60A.23, subdivision 5; 61A.03, by adding a subdivision; 62A.025; 65A.03; 65B.001, subdivision 4; 65B.06, subdivision 2; 65B.14, subdivisions 2 and 3; 65B.16; 65B.19; 65B.43, subdivisions 2, 13, and by adding a subdivision; 69.021, subdivisions 1, 2, 3, and by adding a subdivision; 69.58; 69.59; 72A.061, subdivision 2; 72A.07; 72A.20, by adding a subdivision; 72A.23, subdivision 1; 72B.04, subdivisions 7 and 10; 79.10; 176.181, subdivision 2, and by adding a subdivision; 271.01, subdivision 5; 299F.21; 299F.22; 299F.23; 299F.24; 299F.26, subdivisions 1 and 2; 424.165, subdivision 1; and 574.32; Minnesota Statutes 1983 Supplement, sections 60A.05; 60A.14, subdivision 1; 60A.15, subdivisions 11 and 12; 60A.17, subdivisions 1a, 1d, and 6c; 60A.1701, subdivisions 5, 10, and 11; 60A.198, subdivision 3; 65A.01, subdivision 3; 65B.17, subdivision 1; 69.011, subdivision 1; and 79.37; proposing new law coded in Minnesota Statutes, chapter 60A; repealing Minnesota Statutes 1982, sections 65B.15, subdivision 3; and 65B.48, subdivision 8.

Reported the same back with the following amendments:

Page 6, line 18, strike "If unpaid by"

Page 6, line 19, strike "such dates penalties"

Page 6, line 21, delete the new language

Page 6, line 22, delete the new language and strike the old period

Page 6, after line 27, insert:

"Sec. 6. Minnesota Statutes 1982, section 60A.15, is amended by adding a subdivision to read:

*Subd. 1a. [ADDITION TO THE TAX.] In case of any underpayment of installments by an insurer, there shall be added to the tax for the taxable year an amount determined at the rate specified in section 270.75 upon the amount of underpayment.*

Sec. 7. Minnesota Statutes 1982, section 60A.15, is amended by adding a subdivision to read:

*Subd. 1b. [AMOUNT OF UNDERPAYMENT.] For purposes of subdivision 1a, the amount of the underpayment shall*

*be the excess of: (1) the amount of the installment; over (2) the amount, if any, of the installment paid on or before the last date prescribed for payment.*

Sec. 8. Minnesota Statutes 1982, section 60A.15, is amended by adding a subdivision to read:

*Subd. 1c. [PERIOD OF UNDERPAYMENT.] The period of the underpayment shall run from the date the installment was required to be paid to whichever of the following dates is the earlier:*

*(1) on March 1 following the close of the taxable year;*

*(2) with respect to any portion of the underpayment, the date on which that portion is paid. For purposes of this clause, a payment of estimated tax on any installment date shall be considered a payment of any previous underpayment only to the extent the payment exceeds the amount of the installment determined under subdivision 1c, clause (1) for the installment date.*

Sec. 9. Minnesota Statutes 1982, section 60A.15, is amended by adding a subdivision to read:

*Subd. 1d. [DEFINITION OF TAX.] The term "tax" means the tax imposed by chapter 60A.*

Sec. 10. Minnesota Statutes 1982, section 60A.15, is amended by adding a subdivision to read:

*Subd. 1e. [FAILURE TO FILE AN ESTIMATE.] In the case of an insurer which fails to file an estimated tax for a taxable year when one is required, the period of the underpayment shall run from the installment dates as set forth in subdivision 1 or 2 to whichever of the periods set forth in subdivision 1c is the earlier."*

Page 7, line 6, strike "penalties"

Page 7, lines 8 and 9, delete the new language and insert "*there shall be added to the tax for the taxable year an amount determined pursuant to subdivisions 1a to 1c*"

Page 7, line 18, strike the old language after "(a)"

Page 7, lines 19 to 29, strike the old language and delete the new language

Page 7, line 30, strike "(b)"

Page 7, line 35, strike "(c)" and insert "(b)"

Page 8, line 4, strike "(d)" and insert "(c)"

Page 8, after line 7, insert:

*"(d) If unpaid by this date penalties and interest as provided in section 290.53, subdivision 1, shall be imposed."*

Page 13, delete lines 35 and 36

Page 14, delete lines 1 to 16 and insert:

*"Subd. 9d. [CRIMINAL PROVISIONS.] In addition to the penalties hereinbefore prescribed, the provisions of section 290.53, subdivision 4, shall apply to persons required by chapter 60A to make a return."*

Page 14, delete lines 27 to 32

Page 25, line 30, before "The" insert *"If the commissioner determines that one of the conditions listed in subdivision 6c exists,"*

Page 29, line 10, delete "A fee"

Page 29, line 11, delete everything through the period

Page 29, line 13, delete *"instructing or"*

Page 32, after line 6, insert:

"Sec. 35. Minnesota Statutes 1982, section 60A.19, subdivision 8, is amended to read:

Subd. 8. [INSURANCE FROM UNLICENSED FOREIGN COMPANIES.] When any person, firm, or corporation desires to obtain insurance upon any property, interests, or risks of any nature other than life insurance in this state in companies not authorized to do business therein he or they shall give bond to the commissioner of commerce in such sum as he shall deem reasonable, with satisfactory resident sureties, conditioned that the obligors, on the expiration of a license to obtain such insurance, shall pay to the commissioner of revenue, for the use of the state, a tax of two percent upon the gross premiums paid by the licensee. Thereupon the commissioner of commerce shall issue such license, good for one year, and all insurance procured thereunder shall be lawful and valid and the provisions of all policies thereof shall be deemed in accordance, and construed as if identical in effect, with the standard policy prescribed by the laws of this state and the insurers may enter the state to perform

any act necessary or proper in the conduct of the business. This bond may be enforced by the commissioner of commerce in his own name in any district court. The licensee shall file with the commissioner of commerce on June thirtieth and December thirty-first annually a verified statement of the aggregate premiums paid and returned premiums received on account of such insurance."

Page 40, after line 30, insert:

"Sec. 41. [61A.255] [SPECIAL PROVISION.]

*For the purposes of sections 61A.24 and 61A.25, insurers may utilize the 1958 Commissioners Standard Ordinary and the 1958 Commissioners Extended Term smoker and nonsmoker mortality tables and the 1980 Commissioners Standard Ordinary and the 1980 Commissioners Extended Term smoker and nonsmoker mortality tables in addition to the tables specified in sections 61A.24 and 61A.25. The tables may be utilized as provided in the model rule permitting smoker and nonsmoker mortality tables for use in determining minimum reserve liabilities and nonforfeiture benefits adopted by the National Association of Insurance Commissioners. This section applies to policies issued on or after January 1, 1984, and before January 1, 1989."*

Page 65, line 36, after "that" insert "knowingly"

Page 73, line 27, delete everything after the first "to" and insert "23, 36, 37, 58 to 61, 72 to 79, 81, and"

Page 73, line 28, delete "77" and insert "83"

Page 73, line 30, delete "76" and insert "82"

Renumber the remaining sections

Amend the title as follows:

Page 1, line 38, delete "subdivision 4" and insert "subdivisions 4 and 8"

Page 2, lines 6 and 7, delete "subdivisions 11 and" and insert "subdivision"

Page 2, line 11, delete "chapter 60A" and insert "chapters 60A and 61A"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1680, A bill for an act relating to taxation; income; eliminating withholding on pari-mutuel winnings; repealing Minnesota Statutes 1983 Supplement, section 290.92, subdivisions 27 and 28.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 290.92, subdivision 27, is amended to read:

Subd. 27. Any holder of a class A, B, or D license issued by the Minnesota horse racing commission (, WHO MAKES A PAYMENT OR PAYMENTS FOR WINNINGS ON A PARI-MUTUEL BETTING TICKET OR TICKETS IN AN AMOUNT OF \$200 OR MORE TO THE SAME INDIVIDUAL,) shall deduct (FROM THE PAYMENT OR PAYMENTS) and withhold (11) 10 percent of (THE AMOUNT) *the payment of winnings which are subject to withholding* as Minnesota withholding tax. For purposes of this subdivision, (WINNINGS FROM A PARI-MUTUEL BETTING TICKET MUST BE DETERMINED BY REDUCING THE AMOUNT RECEIVED BY THE AMOUNT PAID FOR THE TICKET, AND PAYMENTS FOR WINNING ON A PARI-MUTUEL BETTING TICKET WHICH ARE NOT MONEY MUST BE TAKEN INTO ACCOUNT AT THEIR FAIR MARKET VALUE) *the term “winnings which are subject to withholding” has the meaning given in section 3402(q)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1983.* For purposes of the provisions of this section, a payment to any person of winnings which are subject to withholding must be treated as if the payment was a wage paid by an employer to an employee. Every individual who is to receive a payment of winnings which are subject to withholding shall furnish the license holder with a statement, made under the penalties of perjury, containing the name, address, and social security account number of the person receiving the payment and of each person entitled to any portion of such payment. The license holder is liable for the payment of the tax required to be withheld under this subdivision and subdivision 28 but is not liable to any person for the amount of the payment.

Sec. 2. [REPEALER.]

*Minnesota Statutes 1983 Supplement, section 290.92, subdivision 28, is repealed.*

**Sec. 3. [EFFECTIVE DATE.]**

*Sections 1 and 2 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 2, delete "eliminating" and insert "changing"

Page 1, line 3, delete "repealing" and insert "amending"

Page 1, line 4, delete "subdivisions 27 and" and insert "subdivision 27;"

Page 1, line 5, before "28" insert "repealing Minnesota Statutes 1983 Supplement, section 290.92, subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1689, A bill for an act relating to vocational-technical education; permitting South Dakota residents to attend Minnesota postsecondary vocational-technical schools at Minnesota resident tuition rates; amending Minnesota Statutes 1982, section 124.565, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1706, A bill for an act relating to St. Louis Park; providing authority to the housing and redevelopment authority to review and approve development in redevelopment areas.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1707, A bill for an act relating to gambling; creating a charitable gambling control board and prescribing its powers and duties; imposing a tax on the gross receipts of charitable gambling; making an annual appropriation; prescribing penalties; amending Minnesota Statutes 1982, sections 349.11; 349.12; 349.13; 349.14; 349.15; 349.16; 349.17; 349.18; 349.19; 349.20; 349.21; 349.22; and 349.31, subdivision 1; Minnesota Statutes 1983 Supplement, sections 340.14, subdivision 2; 609.75, subdivision 3; and 609.761; proposing new law coded in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1982, section 349.26.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 340.14, subdivision 2, is amended to read:

Subd. 2. [RESTRICTIONS.] Every licensee shall be responsible for the conduct of his place of business and for conditions of sobriety and order therein. No licensee shall keep, possess, or operate, or permit the keeping, possession, or operation of, on the licensed premises, or in any room adjoining the licensed premises, any slot machine, dice, or any gambling device or apparatus, nor permit any gambling therein, nor permit the licensed premises or any room in the same, or in any adjoining building, directly or indirectly under its control to be used as a resort for prostitutes or other disorderly persons, except that gambling devices may be kept or operated and raffles conducted on licensed premises and adjoining rooms when such activities are licensed by the (LOCAL UNIT OF GOVERNMENT PURSUANT TO SECTION 349.26) *charitable gambling control board under sections 349.11 to 349.213*. No person under 18 years of age shall be employed in any rooms constituting the place in which intoxicating liquors are sold at retail "on-sale," except that persons under 18 years of age may be employed as musicians or to perform the duties of a busboy or dishwashing services in places defined as a restaurant or hotel or motel serving food in rooms in which intoxicating liquors are sold at retail "on-sale." Persons under 18 years of age may be employed as waiters or waitresses in places defined as a restaurant, hotel or motel to serve food in rooms in which only wine is sold on-sale, provided they shall not be permitted to serve or sell wine.

Sec. 2. Minnesota Statutes 1982, section 349.11, is amended to read:

349.11 [PURPOSE.]

The purpose of sections 349.11 to (349.23) 349.22 is to (CLOSELY) regulate (AND CONTROL THE CONDUCT OF THE GAME OF BINGO AND TO PROHIBIT COMMERCIALIZATION OF BINGO) *legal forms of gambling to prevent their commercialization, to ensure integrity of operations, and to provide for the use of net profits only for lawful purposes.*

Sec. 3. Minnesota Statutes 1982, section 349.12, is amended to read:

349.12 [DEFINITIONS.]

Subdivision 1. As used in sections 349.11 to (349.23) 349.22 the following terms have the meanings given them.

Subd. 2. "*Lawful gambling*" is the operation, conduct, or sale of bingo, raffles, paddlewheels, tipboards, and pull-tabs.

Subd. 3. "Active member" means a member who has paid all his dues to the organization and has been a member of the organization for at least six months.

Subd. (3) 4. "Bingo" means a game where each player has a card or board for which a consideration has been paid containing five horizontal rows of spaces, with each row except the central one containing five figures. The central row has four figures with the word "free" marked in the center space thereof. *Bingo also includes games which are as described in this subdivision except for the use of cards where the figures are not pre-printed but are filled in by the players.* A player wins a game of bingo by completing (ANY) a preannounced combination of spaces or, in the absence of a preannouncement of a combination of spaces, any combination of five spaces in a row, either vertical, horizontal or diagonal.

Subd. (4) 5. "Bingo occasion" means a single gathering or session at which a series of one or more successive bingo games is played.

Subd. (5) 6. "Checker" means a person who records the number of bingo cards purchased and played during each game and records the prizes awarded to the recorded cards, but does not collect the payment for the cards.

Subd. 7. "*Paddlewheel*" means a wheel marked off into sections containing one or more numbers, and which, after being turned or spun, uses a pointer or marker to indicate winning chances.



Subd. 8. "Tipboard" means a board, placard, or other device marked off in a grid or columns, in which each section contains a hidden number or numbers, or other symbol, which determines the winning chances.

Subd. 9. "Raffle" means a game in which a participant buys a ticket for a chance at a prize with the winner determined by a random drawing to take place at a location and date printed upon the ticket.

Subd. 10. "Pull-tab" means a single folded or banded ticket or a card with a face covered to conceal one or more numbers or symbols, where one or more of each set of tickets or cards has been designated in advance as a winner. "Pull-tab" also includes a ticket sold in a gambling device known as a ticket jar.

Subd. (6) 11. "Lawful purpose" means one or more of the following: (a) benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of and devotion to the principles upon which this nation was founded; (b) initiating, performing; or fostering worthy public works or enabling or furthering the erection or maintenance of public structures; (c) lessening the burdens borne by government or voluntarily supporting, augmenting or supplementing services which government would normally render to the people; or (d) the improving, expanding, maintaining or repairing real property owned or leased by an organization.

"Lawful purpose" does not include the erection or acquisition of any real property, unless the local unit of government specifically authorizes the expenditures after finding that the property will be used exclusively for one or more of the purposes specified in this clause.

(SUBD. 7. "LOCAL UNIT OF GOVERNMENT" MEANS THE CITY OR TOWN IN WHICH BINGO IS PROPOSED TO BE PLAYED OR IS PLAYED OR, IF THERE IS NO CITY OR TOWN, THE COUNTY IN WHICH BINGO IS PROPOSED TO BE PLAYED OR IS PLAYED.)

Subd. (8) 12. "Organization" means any fraternal, religious, veterans, or other nonprofit organization.

Subd. (9) 13. "Profit" means the gross receipts collected from (ONE OR MORE BINGO OCCASIONS) lawful gambling, less reasonable sums necessarily and actually expended for (BINGO) gambling supplies and equipment, prizes, rent, and utilities used during the (BINGO) gambling occasions, (BINGO

**LICENSE FEES)** *compensation paid to members for conducting gambling, taxes (RELATED TO BINGO, AND OTHER EXPENSES PERMITTED BY LAWS 1976, CHAPTER 261) imposed by this chapter, and maintenance of devices used in lawful gambling.*

Subd. (10) 14. "Bingo manager" means a (MEMBER) person who has paid all (HIS) dues to (THE) an organization and has been a member of the organization for at least two years and has been designated by (AN) the organization to supervise bingo occasions conducted by it.

Subd. 15. "Gambling manager" means a person who has paid all dues to an organization and has been a member of the organization for at least two years and has been designated by the organization to supervise lawful gambling conducted by it.

Subd. 16. "Gambling equipment" means: bingo cards and devices for selecting bingo numbers, pull-tabs, ticket jars, paddle-wheels, and tipboards.

Subd. 17. "Board" is the charitable gambling control board.

Subd. 18. "Distributor" is a person who sells gambling equipment he manufactures or purchases for resale.

Sec. 4. Minnesota Statutes 1982, section 349.13, is amended to read:

349.13 [NOT GAMBLING IF ORGANIZATION CONDUCTS BINGO.]

(BINGO SHALL) *Lawful gambling is not (BE CONSTRUED AS) a lottery or (AS) gambling within the meaning of sections 609.75 to 609.76 if it is conducted (BY AN ORGANIZATION IN COMPLIANCE WITH LAWS 1976, CHAPTER 261) under this chapter.*

Sec. 5. Minnesota Statutes 1982, section 349.14, is amended to read:

349.14 [ORGANIZATION MAY CONDUCT BINGO; LICENSE.]

An organization may conduct (BINGO OCCASIONS) *lawful gambling* if it has been in existence for at least three years, has at least 15 active members, has a license to conduct (BINGO) *lawful gambling* from the (LOCAL UNIT OF GOVERNMENT) board and complies with (SECTIONS 349.15 TO 349.21) *this chapter.*

Sec. 6. Minnesota Statutes 1982, section 349.15, is amended to read:

349.15 [USE OF PROFITS.]

Profits from (A BINGO OCCASION SHALL) *lawful gambling* may be expended only for lawful purposes as authorized at a regular meeting of the *conducting* organization.

Sec. 7. [349.151] [CHARITABLE GAMBLING CONTROL BOARD.]

*Subdivision 1. [BOARD CREATED.] The charitable gambling control board is created with the powers and duties established by subdivision 4.*

*Subd. 2. [MEMBERSHIP.] The board consists of nine members appointed as follows:*

(1) *two persons appointed by the speaker of the house of representatives;*

(2) *two persons appointed by the president of the senate;*

(3) *three persons appointed by the governor;*

(4) *the commissioner of public safety or his designee; and*

(5) *the attorney general or his designee.*

*A member serving on the board by appointment must have been a resident of Minnesota for at least five years. Neither the speaker of the house nor the president of the senate may appoint as his appointees two persons who are members of the same political party, and of the appointees of the governor not more than two may belong to the same political party. A member appointed to the board may be removed at any time by the appointing authority. Vacancies on the board are filled in the same manner as the original appointment. Appointments by the speaker of the house of representatives and the president of the senate are for two years and appointments by the governor are for three years. The governor shall appoint the chairperson from among his appointees.*

*Subd. 3. [COMPENSATION.] The compensation of board members is \$35 per day spent on commission activities, when authorized by the board, plus expenses in the same manner and amount as provided in the commissioner's plan adopted according to section 43A.18, subdivision 2.*

*Subd. 4. [POWERS AND DUTIES.] The board has the following powers and duties:*

*(1) to issue, revoke, and suspend licenses to organizations and suppliers under sections 349.16 and 349.161;*

*(2) to collect and deposit license fees and taxes due under this chapter;*

*(3) to receive reports required by this chapter and inspect the records, books, and other documents of organizations and suppliers to ensure compliance with all applicable laws and rules;*

*(4) to make rules, including temporary rules, required by this chapter;*

*(5) to register gambling equipment and issue registration stamps under section 349.162;*

*(6) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling; and*

*(7) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing charitable gambling.*

*Subd. 5. [EMPLOYEES.] The board shall employ an executive secretary in the unclassified service and such other employees in the classified service as are required to enable it to carry out its functions. One or more of the employees must be bingo inspectors.*

*Subd. 6. [ATTORNEY GENERAL.] The attorney general is the attorney for the board. In addition the attorney general may prosecute any violation of sections 349.11 to 349.22 which is a felony or gross misdemeanor.*

Sec. 8. Minnesota Statutes 1982, section 349.16, is amended to read:

349.16 [(LOCAL REGULATION) ORGANIZATION LICENSES.]

Subdivision 1. [ISSUANCE OF GAMBLING LICENSES.] (NOTHING IN SECTIONS 349.11 TO 349.23 SHALL BE CONSTRUED TO PROHIBIT A LOCAL UNIT OF GOVERNMENT FROM ADOPTING ORDINANCES, RULES AND REGULATIONS CONCERNING THE CONDUCT OF BINGO WHICH ARE MORE RESTRICTIVE THAN STATE REGULATIONS, INCLUDING AN ORDINANCE TO BAN THE CONDUCT

OF BINGO. PRIOR TO PROMULGATING BINGO REGULATIONS OR ISSUING A BINGO LICENSE, THE LOCAL UNIT OF GOVERNMENT SHALL CONSULT WITH THE LOCAL BUILDING INSPECTOR, IF ANY, AND THE FIRE AND POLICE AUTHORITIES. A LOCAL UNIT OF GOVERNMENT WHICH PERMITS BINGO BUT HAS NOT ADOPTED REGULATIONS SHALL BE DEEMED TO HAVE ADOPTED THE PROVISIONS OF LAWS 1976, CHAPTER 261 AS ITS REGULATIONS. A LOCAL UNIT OF GOVERNMENT MAY AMEND ITS REGULATIONS.)

(SUBD. 2. A LOCAL UNIT OF GOVERNMENT THAT PERMITS BINGO SHALL ESTABLISH A SYSTEM FOR LICENSING ORGANIZATIONS TO CONDUCT BINGO OCCASIONS, AND SHALL ACT ON A BINGO LICENSE APPLICATION WITHIN 180 DAYS FROM THE DATE OF APPLICATION. BUT SHALL NOT ISSUE A LICENSE UNTIL AT LEAST 30 DAYS AFTER THE DATE OF APPLICATION. A LICENSE SHALL BE VALID FOR ONE YEAR, AND MAY BE SUSPENDED OR REVOKED BY THE ISSUING AUTHORITY FOR VIOLATION OF LAWS 1976, CHAPTER 261 OR OF ANY LOCAL ORDINANCE RELATING TO BINGO.)

(SUBD. 3. EACH YEAR THE LOCAL UNIT OF GOVERNMENT SHALL ALLOCATE AN AMOUNT OF MONEY AT LEAST EQUAL TO THE LESSER OF \$25,000 OR 25 PERCENT OF THE AMOUNT IT COLLECTED AND RETAINED FROM BINGO FEES, BINGO LICENSES, AND BINGO TAXES IN THE PRECEDING YEAR FOR THE SUPERVISION, REGULATION AND INSPECTION OF THE CONDUCT OF BINGO) *Licenses authorizing organizations to conduct lawful gambling may be issued by the board to organizations meeting the qualifications of section 349.14. Licenses issued under this section are valid for one year and may be suspended or revoked by the board for a violation of law or board rule. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the Administrative Procedure Act.*

*Subd. 2. [APPLICATION.] All applications for a license under this section must be on a form prescribed by the board. The board may require the applying organization to submit a copy of its articles of incorporation and other documents it deems necessary.*

*Subd. 3. [FEES.] The board shall by rule establish a schedule of fees for licenses under this section. The schedule must establish three classes of license, authorizing all forms of lawful gambling, all forms except bingo and bingo only. The fees must be in an amount, together with income from fees under section 349.161, sufficient to generate annual income to offset the costs incurred by the board in fulfilling its responsibilities under sections 349.11 to 349.21.*

**Sec. 9. [349.161] [DISTRIBUTOR LICENSES.]**

*Subdivision 1. [PROHIBITED ACTS; LICENSES REQUIRED.] No person may:*

*(1) sell, offer for sale, or furnish gambling equipment for use within the state for gambling purposes, other than for bingo exempt from licensing under section 340.19, except to an organization licensed for lawful gambling; or*

*(2) sell, offer for sale, or furnish gambling equipment to an organization licensed for lawful gambling without having obtained a distributor license under this section.*

*No licensed organization may purchase gambling equipment from any person not licensed as a distributor under this section.*

*Subd. 2. [LICENSE APPLICATION.] The board may issue licenses for the sale of gambling equipment to persons who meet the qualifications of this section. Applications must be on a form the board prescribes.*

*Subd. 3. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, or partnership which has as an officer, director, or other person in a supervisory or management position, who:*

*(1) has been convicted of a felony in a state or federal court within the past five years or who has a felony charge pending;*

*(2) has ever been convicted in a state or federal court of a gambling-related felony; or*

*(3) is or has ever been engaged in an illegal business.*

*Subd. 4. [FEES.] The annual fee for a supplier's license is \$1,500.*

*Subd. 5. [REVOCATION AND SUSPENSION.] A license under this section may be revoked or suspended by the board for a violation of law or board rule or for failure to meet the qualifications in subdivision 3 at any time. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the Administrative Procedure Act.*

*Subd. 6. [CRIMINAL HISTORY.] The board may request the assistance of the bureau of criminal apprehension in investigating the background of an applicant for a supplier's license and may reimburse the bureau for the costs thereof. The board has access to all criminal history data compiled by the bureau on licensees and applicants.*

## Sec. 10. [349.162] [EQUIPMENT REGISTERED.]

*Subdivision 1. [STAMP REQUIRED.] A distributor may not sell to an organization and an organization may not purchase from a distributor gambling equipment unless the equipment has been registered with the board and has a registration stamp affixed. The board may charge a fee of up to 25 cents for each stamp. Each stamp must bear a registration number assigned by the board.*

*Subd. 2. [RECORDS REQUIRED.] A distributor must maintain a record of all gambling equipment which it sells to organizations. The record must include:*

- (1) the identity of the person or firm from whom the equipment was purchased;*
- (2) the registration number of the equipment;*
- (3) the name and address of the organization to which the sale was made; and*
- (4) the date of the sale.*

*The record for each sale must be retained for at least three years after the sale is completed. For purposes of this section, a sale is completed when the gambling equipment is physically delivered to the purchaser.*

*Each distributor must report monthly to the board, on a form the board prescribes, its sales of each type of gambling equipment. Employees of the board may inspect the books, records, and other documents of a distributor at any reasonable time without notice and without a search warrant.*

*Subd. 3. [SALES FROM FACILITIES.] All gambling equipment purchased by a licensed distributor for resale in Minnesota must prior to its resale be unloaded into a facility located in Minnesota which the distributor owns or leases.*

Sec. 11. Minnesota Statutes 1982, section 349.17, is amended to read:

## 349.17 [CONDUCT OF BINGO.]

**Subdivision 1. [BINGO OCCASIONS.] (NO COMPENSATION SHALL BE PAID TO ANY PERSON IN CONNECTION WITH A BINGO OCCASION EXCEPT AN ACTIVE MEMBER OF THE ORGANIZATION, OR ITS AUXILIARY, OR THE SPOUSE OR SURVIVING SPOUSE OF AN ACTIVE MEMBER, CONDUCTING THE BINGO OCCASION NOR**

SHALL ANY PERSON NOT AN ACTIVE MEMBER OF THE ORGANIZATION OR ITS AUXILIARY OR THE SPOUSE OR SURVIVING SPOUSE OF AN ACTIVE MEMBER PARTICIPATE IN THE CONDUCT OF A BINGO OCCASION, EXCEPT BY RESOLUTION OF A MAJORITY OF THE MEMBERSHIP, RECORDED IN THE OFFICIAL MINUTES OF THE ORGANIZATION, NON-MANAGEMENT ASSISTANTS WHO ARE NOT ACTIVE MEMBERS OF THE ORGANIZATION, OR ITS AUXILIARY, OR THE SPOUSE OR SURVIVING SPOUSE OF AN ACTIVE MEMBER, MAY BE HIRED TO ASSIST MEMBERS IN CONDUCTING A BINGO OCCASION. COMPENSATION SHALL NOT EXCEED \$20 FOR A BINGO OCCASION.)

(SUBD. 2. NO) *Not more than 104 bingo occasions each year or two bingo occasions each week (SHALL) may be conducted by (ANY) an organization (. EXCEPT THAT THE LOCAL UNIT OF GOVERNMENT ISSUING THE LICENSE MAY PERMIT ADDITIONAL BINGO OCCASIONS TO BE CONDUCTED BY AN ORGANIZATION), except as provided in this subdivision. A bingo occasion (SHALL) may not continue for more than four consecutive hours.*

*The board may permit an organization to conduct more than two bingo occasions in a week and more than 104 bingo occasions in a year if the following procedures are followed:*

*(1) the organization applies for the additional occasions, stating the number of additional occasions applied for;*

*(2) the board notifies the governing body of the county or home rule or statutory city in which the applicant is located; and*

*(3) The governing body fails to adopt a resolution disapproving the additional occasions within 30 days of the notification.*

Subd. (3) 2. [BINGO ON LEASED PREMISES.] ((1) ANY) A person or corporation, other than an organization, which leases any premises that it owns to two or more organizations for purposes including the conduct of bingo occasions, (SHALL) *may not allow more than four bingo occasions to be conducted on the premises in any week.*

((2) ANY ORGANIZATION WHICH LEASES ANY PREMISES TO ONE OR MORE OTHER ORGANIZATIONS FOR PURPOSES INCLUDING THE CONDUCT OF BINGO OCCASIONS SHALL USE THE PROCEEDS OF THE RENTAL, LESS REASONABLE SUMS FOR MAINTENANCE, FURNISHINGS AND OTHER NECESSARY EXPENSES, ONLY FOR LAWFUL PURPOSES AS DEFINED IN SECTION



349.12. NOT LESS THAN ONCE EACH YEAR THE ORGANIZATION SHALL REPORT TO THE LICENSING AUTHORITY THE DISPOSITION OF ALL RECEIPTS WHICH IT HAS RECEIVED DURING THE REPORTING PERIOD FROM THE RENTAL OF ITS FACILITIES TO OTHER ORGANIZATIONS FOR PURPOSES INCLUDING THE CONDUCT OF BINGO OCCASIONS.)

((3) NO ORGANIZATION SHALL CONDUCT BINGO ON ANY LEASED PREMISES WITHOUT A WRITTEN LEASE FOR A TERM AT LEAST EQUAL TO THE REMAINDER OF THE TERM OF THE BINGO LICENSE OF THE ORGANIZATION. LEASE PAYMENTS SHALL BE AT A FIXED MONTHLY RATE, OR RATE PER BINGO OCCASION, NOT SUBJECT TO CHANGE DURING THE TERM OF THE LEASE. NO SUCH LEASE SHALL PROVIDE THAT RENTAL PAYMENTS BE BASED ON A PERCENTAGE OF RECEIPTS OR PROFITS FROM BINGO OCCASIONS.)

(SUBD. 4. PRIZES FOR A SINGLE BINGO GAME SHALL NOT EXCEED \$100 EXCEPT PRIZES FOR A GAME OF THE TYPE COMMONLY KNOWN AS A "COVER-ALL" GAME. "COVER-ALL" PRIZES MAY EXCEED \$100 PROVIDED THAT THE AGGREGATE VALUE OF SUCH PRIZES FOR A BINGO OCCASION SHALL NOT EXCEED \$500. THE AGGREGATE VALUE OF PRIZES FOR A BINGO OCCASION SHALL NOT EXCEED \$2,500 EXCEPT THAT IN THE CASE OF A BINGO OCCASION DURING WHICH A "COVER-ALL" GAME IS PLAYED FOR A MAXIMUM PRIZE OF MORE THAN \$100 BUT NOT MORE THAN \$500, THE AGGREGATE VALUE OF PRIZES FOR THE BINGO OCCASION SHALL NOT EXCEED \$3,000. MERCHANDISE PRIZES SHALL BE VALUED AT FAIR MARKET RETAIL VALUE.)

(SUBD. 5. NO EXPENSE SHALL BE INCURRED OR AMOUNTS PAID IN CONNECTION WITH THE CONDUCT OF BINGO, EXCEPT THOSE REASONABLY EXPENDED FOR BINGO SUPPLIES AND EQUIPMENT, PRIZES, RENT, OR UTILITIES USED DURING THE BINGO OCCASION, BINGO LICENSE FEES, TAXES RELATED TO BINGO, AND COMPENSATION TO ACTIVE MEMBERS WHO CONDUCT THE GAME.)

Subd. (6) 3. Each bingo winner (SHALL) *must* be determined and every prize shall be awarded and delivered the same day on which the bingo occasion is conducted.

(SUBD. 7. ALL BINGO OCCASIONS SHALL BE UNDER THE SUPERVISION OF A BINGO MANAGER DESIGNATED BY THE ORGANIZATION WHO SHALL BE RESPONSIBLE FOR GROSS RECEIPTS AND PROFITS FROM BINGO AND FOR THE CONDUCT OF THE BINGO OCCA-

SION IN COMPLIANCE WITH ALL APPLICABLE LAWS AND ORDINANCES. THE BINGO MANAGER SHALL GIVE A FIDELITY BOND IN THE SUM OF \$10,000 IN FAVOR OF THE ORGANIZATION CONDITIONED ON THE FAITHFUL PERFORMANCE OF HIS DUTIES. TERMS OF THE BOND SHALL PROVIDE THAT NOTICE SHALL BE GIVEN IN WRITING TO THE LICENSING AUTHORITY NOT LESS THAN 30 DAYS PRIOR TO ITS CANCELLATION. THE GOVERNING BODY OF A LOCAL UNIT OF GOVERNMENT MAY WAIVE THIS BOND REQUIREMENT BY INCLUDING A WAIVER PROVISION IN THE BINGO LICENSE ISSUED TO AN ORGANIZATION, PROVIDED THAT A LICENSE CONTAINING SUCH A PROVISION SHALL BE GRANTED ONLY BY UNANIMOUS VOTE.)

(SUBD. 8. NO PERSON SHALL ACT AS A BINGO MANAGER FOR MORE THAN ONE ORGANIZATION.)

*Subd. 4. [CHECKERS]. One or more checkers must be engaged for each bingo occasion. The checker or checkers must record, on a form the board provides, the number of cards played in each game and the prizes awarded to recorded cards. The form must provide for the inclusion of the registration number of each card and must include a checker's certification that the figures recorded are correct to the best of the checker's knowledge.*

Sec. 12. Minnesota Statutes 1982, section 349.18, is amended to read:

**349.18 [(RECORDS; PLAYERS, CARDS AND PRIZES) PREMISES USED FOR GAMBLING.]**

(ONE OR MORE CHECKERS SHALL BE ENGAGED FOR EACH BINGO OCCASION. THE CHECKER OR CHECKERS SHALL RECORD THE NUMBER OF CARDS PLAYED IN EACH GAME PRIOR TO THE COMPLETION OF EACH GAME AND RECORD THE PRIZES AWARDED TO THE RECORDED CARDS. EACH CHECKER SHALL CERTIFY ALL FIGURES WHICH HE HAS RECORDED AS ACCURATE AND CORRECT TO THE BEST OF HIS KNOWLEDGE. A LOCAL UNIT OF GOVERNMENT MAY REQUIRE THE RECORDS TO BE ON FORMS WHICH IT PROVIDES) *Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] An organization may conduct lawful gambling only on premises it owns or leases. Leases must be for a period of at least one year and must be in writing. Copies of all leases must be made available to employees of the board on request. A lease may not provide for rental payments based on a percentage of receipts or profits from lawful gambling.*

*Subd. 2. [EXCEPTIONS.] (a) A licensed organization may conduct raffles on a premise it does not own or lease.*

(b) *A licensed organization may, with the permission of the board, conduct bingo on premises it does not own or lease for up to six days in a calendar year, in connection with a county fair or civil celebration.*

*Subd. 3. [PROCEEDS FROM RENTAL.] A licensed organization which leases premises it owns to one or more other licensed organizations for purposes including the conduct of lawful gambling may expend the rental proceeds, less reasonable deductions for maintenance, furnishings, and utilities, only for lawful purposes. The rental proceeds must be recorded and reported as proceeds from gambling under section 349.19.*

Sec. 13. Minnesota Statutes 1982, section 349.19, is amended to read:

349.19 [(EXEMPTION) RECORDS AND REPORTS.]

(BINGO MAY BE CONDUCTED WITHOUT COMPLYING WITH THE REQUIREMENTS OF SECTIONS 349.14 AND 349.17, SUBDIVISIONS 2 AND 3, IF CONDUCTED: (A) IN CONNECTION WITH A COUNTY FAIR CONDUCTED BY A COUNTY AGRICULTURAL SOCIETY OR ASSOCIATION, THE STATE FAIR CONDUCTED BY THE STATE AGRICULTURAL SOCIETY OR A CIVIC CELEBRATION RECOGNIZED BY RESOLUTION OR OTHER SIMILAR OFFICIAL ACTION OF THE LOCAL GOVERNING BODY PROVIDED THAT THE BINGO IS CONDUCTED FOR NO MORE THAN 12 CONSECUTIVE DAYS IN ANY ONE CALENDAR YEAR; OR, (B) BY AN ORGANIZATION THAT CONDUCTS LESS THAN FIVE BINGO OCCASIONS IN ANY CALENDAR YEAR) *Subdivision 1. [REQUIRED RECORD OF RECEIPTS.] A licensed organization must keep a record of each occasion on which it conducts gambling, including each bingo occasion and each day on which other forms of lawful gambling are conducted. The record must include gross receipts, quantities of free plays if any, expenses, and profits. The board may by rule provide for the methods by which expenses are documented. In the case of bingo, gross receipts must be compared to the checkers' records for the occasion by a person who did not sell cards for the occasion. Separate records must be kept for bingo and all other forms of lawful gambling.*

*Subd. 2. [ACCOUNTS.] Gross receipts from lawful gambling must be segregated from all other revenues of the conducting organization and placed in a separate account. The person who accounts for gambling gross receipts and profits may not be the same person who accounts for other revenues of the organization.*

*Subd. 3. [EXPENDITURES.] All expenditures of bingo profits must be itemized as to payee, purpose, amount, and date of payment.*

*Subd. 4. [DISCREPANCIES.] If at a bingo occasion a discrepancy of more than \$20 is found between the gross receipts as reported by the checkers and the gross receipts determined by adding the cash receipts, the discrepancy must be reported to the board within five days of the bingo occasion.*

*Subd. 5. [REPORTS.] A licensed organization must report to the board and to its membership monthly on its gross receipts, expenses, profits, and expenditure of profits from lawful gambling. If the organization conducts both bingo and other forms of lawful gambling, the figures for both must be reported separately. In addition, a licensed organization must report to the board monthly on its purchases of gambling equipment and must include the type, quantity, and dollar amount from each supplier separately. The reports must be on a form the board prescribes.*

*Subd. 6. [PRESERVATION OF RECORDS.] Records required to be kept by this section must be preserved for at least three years and may be inspected by employees of the board at any reasonable time without notice or a search warrant.*

*Subd. 7. [TAX RECORDS.] The board may by rule require each licensed organization to provide copies of forms it files with the United States department of the treasury which are required for organizations exempt from income tax.*

Sec. 14. Minnesota Statutes 1982, section 349.20, is amended to read:

**349.20 [(RECORDS; RECEIPTS AND PROFITS) MANAGERS.]**

**(EACH ORGANIZATION SHALL KEEP RECORDS OF ITS GROSS RECEIPTS AND PROFITS FOR EACH BINGO OCCASION. GROSS RECEIPTS SHALL BE COMPARED TO THE CHECKER'S RECORDS FOR THE BINGO OCCASION BY A PERSON WHO DID NOT SELL CARDS FOR THE BINGO OCCASION. ALL DEDUCTIONS FROM GROSS RECEIPTS FROM A BINGO OCCASION SHALL BE DOCUMENTED WITH RECEIPTS OR OTHER RECORDS. THE DISTRIBUTION OF PROFITS SHALL BE ITEMIZED AS TO PAYEE, AMOUNT AND DATE OF PAYMENT.)**

**(BINGO GROSS RECEIPTS SHALL BE SEGREGATED FROM OTHER REVENUES OF AN ORGANIZATION AND PLACED IN A SEPARATE ACCOUNT. EACH ORGANIZATION SHALL MAINTAIN SEPARATE RECORDS OF ITS BINGO OPERATIONS. THE PERSON WHO ACCOUNTS FOR BINGO GROSS RECEIPTS AND PROFITS SHALL NOT BE THE SAME PERSON WHO ACCOUNTS FOR OTHER REVENUES OF THE ORGANIZATION. RECORDS REQUIRED BY LAWS 1976, CHAPTER 261 SHALL BE PRE-**

SERVED FOR THREE YEARS. THE LAW ENFORCEMENT AGENCY OF THE LICENSING AUTHORITY SHALL HAVE THE AUTHORITY TO INVESTIGATE THE BINGO RECORDS OF AN ORGANIZATION AT ANY REASONABLE TIME. ORGANIZATIONS SHALL MAKE AVAILABLE THEIR BINGO RECORDS FOR INVESTIGATION UPON PROPER NOTICE) *All lawful gambling conducted by a licensed organization must be under the supervision of one or more gambling managers. A gambling manager designated by an organization to supervise a gambling occasion is responsible for the gross receipts from the occasion and for its conduct in compliance with all laws and rules. An organization may designate a different person to act as manager for each type of lawful gambling conducted. Each person designated as a gambling manager must give a fidelity bond in the sum of \$10,000 in favor of the organization conditioned on the faithful performance of the manager's duties, and the terms of the bond must provide that notice be given to the board in writing not less than 30 days before its cancellation.*

*A person may not act as a gambling manager for more than one organization.*

Sec. 15. Minnesota Statutes 1982, section 349.21, is amended to read:

349.21 [(REPORTS; DISCREPANCIES, REPORTING AGENCIES) COMPENSATION.]

(SUBDIVISION 1. IF ANY DISCREPANCY IS FOUND BETWEEN THE AMOUNT OF GROSS RECEIPTS FOR A BINGO OCCASION AS DETERMINED BY THE CHECKER'S RECORDS AND THE AMOUNT OF GROSS RECEIPTS AS DETERMINED BY TOTALING THE CASH RECEIPTS AND THE DISCREPANCY EXCEEDS \$20, THE DISCREPANCY SHALL BE REPORTED TO AND INVESTIGATED BY THE LICENSING AUTHORITY OF THE PLACE WHERE THE BINGO OCCASION WAS HELD.)

(SUBD. 2. AN ORGANIZATION SHALL REPORT MONTHLY TO ITS MEMBERSHIP ITS GROSS RECEIPTS FROM BINGO, ITS PROFITS FROM BINGO AND THE DISTRIBUTION OF THOSE PROFITS ITEMIZED AS REQUIRED BY SECTION 349.20.)

(SUBD. 3. AT LEAST 30 DAYS PRIOR TO CONDUCTING ITS FIRST BINGO OCCASION OF THE YEAR AND ON AN ANNUAL BASIS THEREAFTER, AN ORGANIZATION SHALL FILE WITH THE LOCAL GOVERNMENT UNIT WHICH REGULATES ITS CONDUCT COPIES OF THE FOLLOWING:)

((A) DEPARTMENT OF THE TREASURY, INTERNAL REVENUE SERVICE, "RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX," FORM 990, OR A COMPARABLE FORM IF THE ORGANIZATION IS REQUIRED TO FILE THE FORM WITH THE DEPARTMENT OF THE TREASURY;)

((B) DEPARTMENT OF THE TREASURY, INTERNAL REVENUE SERVICE, "EXEMPT ORGANIZATION BUSINESS INCOME TAX," FORM 990-T, OR A COMPARABLE FORM IF THE ORGANIZATION IS REQUIRED TO FILE THE FORM WITH THE DEPARTMENT OF THE TREASURY;)

((C) A "STATEMENT OF BINGO OPERATIONS" IN THE FORM PRESCRIBED BY THE LOCAL GOVERNMENTAL UNIT. ALL INFORMATION CONTAINED IN THE STATEMENT SHALL BE TRUE, CORRECT, AND COMPLETE TO THE BEST OF THE KNOWLEDGE OF THE PERSON OR PERSONS SIGNING THE STATEMENT. ANY PERSON WHO SHALL KNOWINGLY MAKE A FALSE STATEMENT OR KNOWINGLY CONCEAL A MATERIAL FACT IN THE STATEMENT SHALL BE SUBJECT TO THE PENALTIES PROVIDED IN SECTION 349.22;)

((D) ANY LEASE AGREEMENTS REQUIRED BY LAWS 1976, CHAPTER 261, EXECUTED BY THE ORGANIZATION IN REGARD TO PREMISES LEASED FOR THE CONDUCT OF BINGO) *Compensation to persons who participate in the conduct of lawful gambling may be paid only to active members of the conducting organization or its auxiliary, or the spouse or surviving spouse of an active member, except that nonmanagement assistants who are not active members or spouses may be hired to assist in the conduct of lawful gambling in nonmanagement positions if approved by a majority of the organization's members.*

*The amounts of compensation which may be paid under this section must be provided for in a schedule of compensation adopted by the board by rule. In adopting the schedule the board must consider the nature of the participation and the types of lawful gambling participated in.*

*A licensed organization may pay a percentage of the gross receipts from raffle ticket sales to a nonprofit organization which sells tickets for the licensed organization.*

Sec. 16. [349.211] [PRIZE LIMITS.]

*Subdivision 1. [BINGO.] Prizes for a single bingo game may not exceed \$100 except prizes for a cover-all game, which may exceed \$100 if the aggregate value of all cover-all prizes in*

a bingo occasion does not exceed \$500. Total prizes awarded at a bingo occasion may not exceed \$2,500, unless a cover-all game is played in which case the limit is \$3,000. For purposes of this subdivision, a cover-all game is one in which a player must cover all spaces except a single free space to win.

Subd. 2. [BINGO CUMULATIVE PRIZES.] A prize of up to \$1,000 may be awarded for a single bingo game if the prize is an accumulation of prizes not won in games in previous bingo occasions. The total amount awarded in cumulative prizes in any calendar year may not exceed \$12,000. For bingo occasions in which a cumulative prize is awarded the aggregate value of prizes which may be awarded for the occasion is increased by the amount of the cumulative prize so awarded less \$100.

Subd. 3. [OTHER GAMBLING.] The board by rule shall establish a schedule of prize limits for all other forms of gambling consistent with the purposes set out in section 349.11. The schedule may include daily and annual prize limits and prize limits for each game, raffle, or operation of a gambling device.

Subd. 4. [PRIZE VALUE.] Merchandise prizes must be valued at their fair market value. Free plays awarded as a part of lawful gambling are prizes under sections 349.11 to 349.22 and must be valued at fair market value.

#### Sec. 17. [349.212] [TAX IMPOSED.]

Subdivision 1. [RATE.] There is hereby imposed a tax on all lawful gambling conducted by licensed organizations at the rate specified in this subdivision. The tax imposed by this section is in lieu of the tax imposed by section 297A.02 and of all local taxes and license fees.

On all lawful gambling the tax is ten percent of the gross receipts of a licensed organization from lawful gambling less prizes actually paid out, payable by the organization.

Subd. 2. [COLLECTION; DISPOSITION.] The tax must be paid to the board at times and in a manner the board prescribes by rule. The proceeds must be paid to the state treasurer for deposit in the general fund.

Subd. 3. [ANNUAL APPROPRIATION.] At the end of each fiscal year, the commissioner of finance shall certify to the state treasurer the total revenues collected by the board from taxes and fees imposed by this act minus the amount appropriated by law from the general fund to the board for its expenses and operations. The net revenue so certified is hereby annually appropriated to the state arts board for expenditure only as grants for the construction, maintenance, and operation of one or more schools for the arts located within the state.

## Sec. 18. [349.213] [LOCAL AUTHORITY.]

*Subdivision 1. [LOCAL REGULATION.] A statutory or home rule city or county has the authority to adopt more stringent regulation of any form of lawful gambling within its jurisdiction, including the prohibition of any form of lawful gambling.*

*Subd. 2. [LOCAL APPROVAL.] Before issuing or renewing an organization license, the board must notify the city council of the statutory or home rule city in which the organization's premises are located or, if the premises are located outside a city, by the county board of the county where the premises are located. If the city council or county board adopts a resolution disapproving the license and so informs the board within 30 days of receiving notice of the license, the license may not be issued or renewed.*

## Sec. 19. [349.214] [EXEMPTIONS.]

*Subdivision 1. [BINGO.] Bingo may be conducted without a license and without complying with sections 349.17, subdivision 1, and 349.18 if it is conducted:*

*(1) in connection with a county fair, the state fair, or a civic celebration if it is not conducted for more than 12 consecutive days in a calendar year; or*

*(2) by an organization which conducts four or fewer bingo occasions in a calendar year.*

*Subd. 2. [RAFFLES.] Raffles may be conducted by an organization as defined in section 349.12, subdivision 13, without complying with sections 349.11 to 349.213 if the value of all raffle prizes awarded by the organization in a calendar year does not exceed \$750. Merchandise prizes must be valued at their fair market value.*

*Subd. 3. [RAFFLES, CERTAIN ORGANIZATIONS.] The provisions of sections 349.21 and 349.211, subdivision 3, and the membership requirements of sections 349.14 and 349.20 do not apply to raffles conducted by 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 under section 501(c)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1983, if the prizes awarded in the raffles are real or personal property donated by an individual, firm, or other organization. The person who accounts for the gross receipts, expenses, and profits of the raffles may be the same person who accounts for other funds of the organization.*



Sec. 20. Minnesota Statutes 1982, section 349.22, is amended to read:

349.22 [PENALTY.]

(VIOLATION OF ANY PROVISION OF LAWS 1976, CHAPTER 261 IS A GROSS MISDEMEANOR) *Subdivision 1. [FELONY.] A sale of gambling equipment by a person not licensed for such sale, and a sale of gambling equipment which is not registered under section 349.162, in violation of sections 349.11 to 349.214 in violation of this act is a felony.*

*Subd. 2. [GROSS MISDEMEANOR.] Any other violation of sections 349.11 to 349.214 is a gross misdemeanor.*

*Subd. 3. [OTHER ACTION.] This section (SHALL) does not preclude civil or criminal actions under other applicable law or preclude any agency of government from investigating or prosecuting violations of the provisions of (LAWS 1976, CHAPTER 261) sections 349.11 to 349.214.*

Sec. 21. Minnesota Statutes 1982, section 349.31, subdivision 1, is amended to read:

Subdivision 1. [INTENTIONAL POSSESSION; WILFUL KEEPING.] The intentional possession or wilful keeping of a gambling device (UPON ANY) on a licensed premises is cause for the revocation of any license under which the licensed business is carried on upon the premises where the gambling device is found, provided that possession of gambling (DEVICES COMMONLY KNOWN AS "PADDLEWHEELS" OR "TIP-BOARDS" OR "PULL-TABS" (OR "TICKET JARS")) OR APPARATUS USED IN CONDUCTING RAFFLES ON THE PREMISES OF A NONPROFIT ORGANIZATION AND OPERATED BY ORGANIZATIONS LICENSED FOR SUCH OPERATION PURSUANT TO SECTION 349.26) equipment as defined in section 349.12, subdivision 17, which is used for gambling licensed by the charitable gambling control board and the manufacture of gambling devices for use in jurisdictions where use of the gambling device is legal as provided for by section 349.40 shall not be cause for revocation of a license.

Sec. 22. Minnesota Statutes 1983 Supplement, section 609.75, subdivision 3, is amended to read:

Subd. 3. [WHAT ARE NOT BETS.] The following are not bets:

(1) A contract to insure, indemnify, guarantee or otherwise compensate another for a harm or loss sustained, even though the loss depends upon chance.

(2) A contract for the purchase or sale at a future date of securities or other commodities.

(3) Offers of purses, prizes or premiums to the actual contestants in any bona fide contest for the determination of skill, speed, strength, endurance, or quality or to the bona fide owners of animals or other property entered in such a contest.

(4) The game of bingo when conducted in compliance with sections 349.11 to 349.23.

(5) A private social bet not part of or incidental to organized, commercialized, or systematic gambling.

(6) The operation of (A GAMBLING DEVICE) *equipment* or the conduct of a raffle (AS DEFINED IN SECTION 349.26) *under sections 349.11 to 349.22*, by an organization licensed (FOR SUCH OPERATION BY A LOCAL UNIT OF GOVERNMENT PURSUANT TO SECTION 349.26) *by the charitable gambling control board*.

(7) Pari-mutuel betting on horse racing when the betting is conducted under chapter 240.

Sec. 23. Minnesota Statutes 1983 Supplement, section 609.761, is amended to read:

609.761 [OPERATIONS PERMITTED.]

Notwithstanding sections 609.755 and 609.76, (A FRATERNAL, RELIGIOUS, VETERANS OR OTHER NONPROFIT) *an organization may (SET UP OR OPERATE A GAMBLING DEVICE OR CONDUCT A RAFFLE) conduct lawful gambling as defined in section (349.26) 349.12*, if licensed by the (LOCAL UNIT OF GOVERNMENT) *charitable gambling control board* and conducted under (SECTION 349.26) *sections 349.11 to 349.22*, and a person may manufacture, sell or offer for sale a gambling device to the organization, and pari-mutuel betting on horse racing may be conducted under chapter 240.

Sec. 24. [APPROPRIATION.]

*There is appropriated from the general fund to the charitable gambling control board for the period beginning the day following final enactment of this act and ending June 30, 1985, the sum of \$—————, or so much thereof as is necessary to carry out the purposes of this act.*

Sec. 25. [REPEALER.]

*Minnesota Statutes 1982, section 349.26, is repealed.*

## Sec. 26. [EFFECTIVE DATE.]

*Sections 7 and 24 are effective the day following final enactment. All other sections of this act are effective March 1, 1985. All licenses issued by local units of government under Minnesota Statutes 1982, sections 349.16 and 349.26 expire on February 28, 1985."*

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1708, A bill for an act relating to mental health; authorizing establishment of a demonstration project for treatment of compulsive gamblers; appropriating money; proposing new law coded in Minnesota Statutes, chapter 240.

Reported the same back with the following amendments:

Page 2, line 2, after the period insert "*The commissioner shall deliver a final report to the legislature by January 15, 1986.*"

Page 2, line 26, before the dollar sign insert "*Subdivision 1. [GENERALLY.]*"

Page 2, after line 28, insert:

*"Subd. 2. [MATCHING FUNDS.] For purposes of implementing section 1, the commissioner of public welfare is authorized to obtain from private or other governmental sources funds at least equal in amount to the sum appropriated by this section."*

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 Economic Development to which was referred:

H. F. No. 1743, A bill for an act relating to occupations and professions; removing an auctioneer's exemption from real

estate brokers and salespersons licensing; amending Minnesota Statutes 1983 Supplement, section 82.18.

Reported the same back with the following amendments:

Page 2, lines 9 to 11, reinstate the stricken language and before the semicolon on line 11, insert "*, and when that person has been employed to auction real estate by a person licensed under this chapter*"

Page 2, lines 12, 18, 22, 25, and 30, reinstate the stricken language and delete the new language

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1765, A bill for an act relating to economic development; establishing the Minnesota Business Assistance Advisory Task Force; proposing new law coded in Minnesota Statutes, chapter 116J.

Reported the same back with the following amendments:

Page 1, line 8, delete "ASSISTANCE" and insert "ADVISORY"

Amend the title as follows:

Page 1, line 3, delete "Assistance"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1774, A bill for an act relating to transportation; providing for distribution of town road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred :

H. F. No. 1775, A bill for an act relating to energy and economic development; energy and economic development authority; adding definitions; clarifying duties and powers of the energy and economic development authority; correcting statutory references; amending Minnesota Statutes 1982, sections 116J.88, as amended; 116J.89, subdivision 4; 116J.90, by adding a subdivision; 116J.91, subdivisions 15, 17, 18, and by adding subdivisions; 474.01, subdivisions 7 and 7a; Minnesota Statutes 1983 Supplement, sections 116J.89, subdivisions 1, 1a, 1b, 1c, 2, 6, and 8; 116J.90, subdivisions 1, 2, 3, 5, and 6; 116J.91, subdivisions 1, 4, 11, 12, 16, 19, and 20; 116J.923, subdivision 7; 116J.924, subdivision 3; 116J.925, subdivisions 1 and 3; 275.125, subdivision 12a; Laws 1983, chapter 323, section 5, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116L; repealing Minnesota Statutes 1983 Supplement, sections 116J.922; 116J.923, subdivisions 2 and 12; and 116J.924, subdivision 1.

Reported the same back with the following amendments :

Page 3, line 16, reinstate the stricken language and delete "a"

Page 13, lines 11 to 18, reinstate the stricken language

Page 23, line 3 after "to," insert "voluntary"

Page 23, line 4, delete "ordered" and insert "as provided by a utility and submitted in a plan approved"

Page 23, line 5, after the period insert "Any voluntary investments or expenditures or gifts by a utility as described in this subdivision shall be appropriated to the authority only for purposes of sections 116J.921 to 116J.926."

Page 28, delete lines 1 to 11 and insert :

"116J.62	116M.03
116J.65	116M.04
116J.67	116M.05
116J.88	116M.02
116J.89	116M.06
116J.90	116M.07
116J.91	116M.08

116J.921 116M.09

116J.923 116M.10

116J.925 116M.11

116J.926 116M.12"

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. 1787, A bill for an act relating to public welfare; changing the formula for allocating federal title XX funds to counties; appropriating money; amending Minnesota Statutes 1982, section 256E.07, subdivision 1, and by adding subdivisions; repealing Minnesota Statutes 1982, section 256E.07, subdivision 3.

Reported the same back with the following amendments:

Page 3, line 36, delete "*except Hennepin, Ramsey, and St.*"

Page 4, line 1, delete "*Louis,*" and insert "*whose current year formula share exceeds the amount prescribed by items (1) and (2) of this paragraph,*"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1797, A bill for an act relating to transportation; public transit; creating a regional transit board and specifying its powers and duties; transferring certain powers and duties to the regional transit board from the commissioner of transportation and the metropolitan transit commission; specifying certain powers of the metropolitan council; reducing and reappropriating certain appropriations; amending Minnesota Statutes 1982, sections 15.0597, subdivision 1; 161.173; 161.174; 174.22, subdivisions 5, 10, 13, and by adding a subdivision;

174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 174.265, subdivision 3; 221.295; 352.01, subdivision 2a; 473.121, subdivisions 7, 10, 11, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.181, subdivision 3; 473.223; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, subdivision 2a, and by adding subdivisions; 473.449; Minnesota Statutes 1983 Supplement, sections 10A.01, subdivision 18; 15A.081, subdivision 7; 174.24, subdivision 3; 221.041, by adding a subdivision; 221.071, subdivision 1; 473.436, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 221; and 473; repealing Minnesota Statutes 1982, sections 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 473.121, subdivision 9; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; 473.451.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 1798, A bill for an act relating to housing; creating a demonstration program for temporary housing in the department of economic security; limiting the scope of the temporary housing program in the housing finance agency; appropriating money; amending Minnesota Statutes 1982, section 462A.05, subdivision 20; proposing new law coded in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Page 4, line 31, after "on" insert "*less than*"

Page 5, line 10, delete "*This*"

Page 5, delete line 11

Amend the title as follows:

Page 1, line 4, delete "limiting the scope" and insert "clarifying the definition"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1803, A bill for an act relating to Kandiyohi county; permitting the county to use city outlet payments to reduce assessments for benefits from county ditches 10 and 46.

Reported the same back with the following amendments:

Page 1, delete lines 8 to 12 and insert:

*"The board of commissioners of Kandiyohi County may abate and cancel all or part of the liens filed against the lands benefited by county ditches 10 and 46, not yet paid in full and refund all or part of the liens that have been paid in full in an amount the board determines to be in excess of the amount to be retained for the future repair of ditches 10 and 46. The percentage of liens not paid and those paid and to be refunded shall be the same."*

Amend the title as follows:

Page 1, delete line 3

Page 1, line 4, delete "benefits from" and insert "abate and cancel liens filed against property benefited by"

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. 1830, A bill for an act relating to water well contractors; licensing and regulating use of vertical heat exchangers; amending Minnesota Statutes 1982, section 156A.02, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 156A.11.

Reported the same back with the following amendments:

Page 1, line 12, after "any" insert "earth-coupled"

Page 1, line 13, delete the comma

Page 1, line 14, delete ", which transfers" and insert "for the purpose of transferring"



Page 2, line 3, delete "*an applicant*" and insert "*the owner of the property on which the vertical heat exchanger is to be installed*"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1839, A bill for an act relating to St. Louis County; permitting the county to establish an emergency jobs program.

Reported the same back with the following amendments:

Page 1, line 13, delete "*loans*" and insert "*rules*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1842, A bill for an act relating to economic development; creating the Minnesota Manufacturing Growth Council; appropriating money; proposing new law coded in Minnesota Statutes, chapter 116J.

Reported the same back with the following amendments:

Page 3, line 33, after the period insert "*This sum is contingent upon matching funds by Minnesota businesses. The match may be in the form of funding, equipment, or loaned personnel.*"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1853, A bill for an act relating to public welfare; providing for rulemaking authority for the Community Social

Services Act; amending Minnesota Statutes 1982, section 256E.-05, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 17, delete "program" and insert "service"

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. 1875, A bill for an act relating to certain counties; providing for changes in the administration of county nursing homes; authorizing the establishment of facilities for the provision of supportive services; amending Minnesota Statutes 1982, sections 376.55; 376.56; 376.57; 376.58; 376.59; and 376.60; repealing Minnesota Statutes 1982, sections 376.573; 376.61; 376.62; 376.63; 376.64; 376.65; and 376.66

Reported the same back with the following amendments:

Page 3, delete lines 19 to 36

Page 4, delete lines 1 to 16 and insert:

"376.56 [TAX (LEVY) LEVIES AND BONDS.]

*Subdivision 1.* The county board of any county establishing or participating in establishing a nursing home, under (THE AUTHORITY GRANTED IN) section 376.55 (, SHALL) may annually levy a tax in (SUCH) the amount (AS IS) necessary to defray all or its proportion of the net costs of maintenance and operation of (SUCH) the nursing home after taking into consideration payments received for care of (PATIENTS) residents, and (IN ADDITION THERETO) a tax to repay the cost of acquiring (SUCH NURSING HOME, AND FOR THE RETIREMENT OF BONDS ISSUED FOR), establishing, equipping, furnishing, enlarging, or adding to a county nursing home, and to pay the principal of and interest on general obligation bonds issued by it for that purpose.

*Subd. 2.* The proceeds of taxes for costs of maintenance and operation shall be paid by the county by which they are collected into a county nursing home fund, which, in the case of counties operating jointly, shall be kept in the treasury of the county in which the nursing home is located and shall be expended (THEREFROM) as provided in sections 376.55 to 376.66.

*Subd. 3. (ANY) Bonds issued under (THE AUTHORITY OF SECTIONS 376.55 TO 376.66 SHALL BE KNOWN AS COUNTY NURSING HOME BONDS AND SHALL) section 376.55, subdivision 3, may be general obligations of the county and (SHALL) may be issued and sold, and (TAX LEVIES) taxes levied for (THE) their payment (THEREOF MADE) in accordance with (THE PROVISIONS OF SECTIONS 475.53 TO 475.72 AND ACTS AMENDATORY THEREOF AND SUPPLEMENTARY THERETO) chapter 475. No election shall be required to authorize the issuance of such bonds for the purpose of improving, remodeling, or replacing an existing nursing home without increase of the number of accommodations for residents. The revenues of the nursing home shall also be pledged for the payment of the bonds and interest and premium, if any, thereon. A portion of the proceeds may be deposited in the debt service fund for the issue, to capitalize interest and create a reserve for the purpose of reducing or eliminating the tax otherwise required by section 475.61 to be levied before issuing the bonds. The remaining proceeds from the sale of (THOSE) the bonds and any surplus funds transferred pursuant to (THE PROVISIONS OF) section 376.55, subdivision 3 shall be credited to and deposited in the county nursing home building fund (BY THE COUNTY AUDITOR AND DEPOSITED TO THE CREDIT OF SUCH FUND BY THE COUNTY TREASURER) of the county in which the nursing home is located.*

*Subd. 4. The county treasurer of the county in which the nursing home is located shall make payments out of the county nursing home fund and county nursing home building fund on properly authenticated vouchers of the county nursing home administrative board, as (IN SECTIONS 376.55 TO 376.66) provided in sections 376.58 and 376.59. The county treasurer of each county issuing general obligation bonds pursuant to subdivision 3 shall pay such bonds and interest thereon from the county's debt service fund and shall be the custodian of net revenues transmitted by the administrative board for the payment of such bonds."*

*Page 6, line 28, after the period insert "The county nursing home administrative board may authorize a sum to pay incidental expenses of the nursing home in accordance with the provisions of section 375.16."*

*Page 7, line 15, after the period, insert "The fiscal year for the nursing home, and the facility for supportive services if it is appropriate, shall be the reporting year designated by the commissioner of public welfare."*

Page 9, after line 32, insert:

"Sec. 8. [EFFECTIVE DATE.]

*Section 2 is effective the day following final enactment."*

Amend the title:

Page 1, line 3, after "homes" insert "and the issuance of general obligation bonds for such homes"

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1877, A bill for an act relating to enterprise zones; expanding the definition of areas eligible for designation as zones; limiting the designation of border city enterprise zones; clarifying the tax incentives available in enterprise zones; amending Minnesota Statutes 1983 Supplement, sections 273.-1312, subdivisions 4 and 5; 273.1313, subdivisions 1 and 2; 273.-1314, subdivisions 1, 6, 8, 9, 10, and by adding subdivisions.

Reported the same back with the following amendments:

Page 4, line 20, reinstate the stricken language and delete the new language

Page 7, line 9, delete everything after "assessment" and insert "as employment property"

Page 7, line 10, delete "may" and insert "or for a tax reduction pursuant to section 273.1314, subdivision 9, shall"

Page 10, lines 23 to 26, delete the new language

Pages 10 and 11, delete section 9

Page 12, line 24, after "zone" insert "or a designated area under subdivision 9, paragraph (e)"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, delete "subdivisions" and insert "a subdivision"

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. 1878, A bill for an act relating to building officials; providing for continuing education; amending Minnesota Statutes 1982, section 16.861, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1891, A bill for an act relating to public welfare; setting eligibility criteria for community social services; appropriating money; amending Minnesota Statutes 1982, section 256E.03, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 12, after "*Parents*" insert "*whose income is at or below 90 percent of the state median income*"

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. 1911, A bill for an act relating to state lands; authorizing the sale of a certain lakeshore property in Kandiyohi County.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1912, A bill for an act relating to the state agricultural society; changing the authority to make certain contracts; amending Minnesota Statutes 1983 Supplement, section 37.19.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1913, A bill for an act relating to St. Louis County; establishing positions in the unclassified civil service; amending Laws 1941, chapter 423, section 6, as amended.

Reported the same back with the following amendments:

Page 2, line 27, delete "*lobbyist/grant coordinator*" and insert "*grant coordinator/lobbyist*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1915, A bill for an act relating to commerce; providing for the licensing of transient merchants by local units of governments; amending Minnesota Statutes 1982, sections 329.14; 329.15; and 330.10, subdivision 2; repealing Minnesota Statutes 1982, sections 329.10; 329.11; 329.12; 329.13; 329.16; and 329.17, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 329.15, is amended to read:

## 329.15 [MUNICIPALITIES MAY REGULATE.]

Nothing in sections 329.10 to 329.17 contained shall be construed as prohibiting, or in any way limiting or interfering with, the right of any city, or other municipal corporation or governmental subdivision of the state, to regulate or license the carrying on within such municipality the business of a transient merchant in any case where authority has been, or shall hereafter be, conferred upon it so to do, but the requirements of sections 329.10 to 329.17 shall be in addition thereto. *Provided that if a municipality enacts a licensing requirement a transient merchant shall not be required to obtain a license under section 329.11.*

Sec. 2. Minnesota Statutes 1982, section 329.16, is amended to read:

## 329.16 [DISPOSAL OF FEES.]

All license fees collected under (SECTIONS 329.10 TO 329.17) *section 329.11* shall be paid into the general revenue fund of the county.

## Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective the date following final enactment."*

Amend the title as follows:

Page 1, line 4, delete "329.14;"

Page 1, line 5, delete everything after "and"

Page 1, delete lines 6 and 7 and insert "329.16."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1918, A bill for an act relating to elections; restricting the eligibility for appointment as election judge; amending

Minnesota Statutes 1983 Supplement, section 204B.19, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1936, A bill for an act relating to elections; changing the time for filing for school district offices; amending Minnesota Statutes 1982, section 123.32, subdivision 4.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1946, A bill for an act relating to the governor; transferring the authority to make certain appointments to various commissioners; providing for filling a membership vacancy on a board reoccurring within three months after the vacancy has been filled; amending Minnesota Statutes 1982, sections 1.35; 15.0575, by adding a subdivision; 16.71, subdivision 1; 16.823, subdivision 2; 35.02, subdivision 1; 116E.02, subdivision 2; 121.934, subdivision 1; 182.656, subdivision 1; and 326.33, subdivision 1; Minnesota Statutes 1983 Supplement, sections 16.911, subdivision 1; 40.03, subdivision 1; 116C.82, subdivision 2; 116E.02, subdivision 1; 250.05, subdivision 2; and 299B.05, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 9, after "may" insert "*, upon notification to the office of the secretary of state,*"

Page 2, delete section 4

Pages 3 to 5, delete sections 6, 7, and 8

Pages 6 and 7, delete section 10

Pages 7 and 8, delete section 13



Page 8, lines 28 and 30, delete "*corrections*" and insert "*public safety*"

Page 9, after line 21, insert :

"Sec. 10. [REPEALER.]

*Minnesota Statutes 1982, section 116E.02, subdivision 2, is repealed."*

Renumber the sections in sequence

Amend the title as follows :

Page 1, line 8, delete everything after the first semicolon

Page 1, line 9, delete everything before "121.934,"

Page 1, line 12, delete "40.03, subdivision 1;"

Page 1, line 13, delete "116C.82, subdivision 2;"

Page 1, line 14, delete "250.05, subdivision 2;"

Page 1, line 14, after "subdivision 1" insert "; repealing Minnesota Statutes 1982, section 116E.02, subdivision 2"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred :

H. F. No. 1952, A bill for an act relating to the city of St. Paul; permitting the city to adopt certain regulations for smoke detection devices.

Reported the same back with the following amendments :

Page 1, line 11, after "*of*" and insert "*one*"

Page 1, line 11, delete "*detectors*" and insert "*detector*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 1974, A bill for an act relating to energy; defining residence; establishing energy efficiency standards for public housing; amending Minnesota Statutes 1983 Supplement, section 116J.27, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 116J.27, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall adopt rules containing minimum energy efficiency standards for existing residences. The standards shall be appropriate for evaluation of the energy efficiency of each major type of residential housing including, but not limited to, one to four family dwellings, apartment buildings, manufactured homes, condominium buildings, and type of ownership. The standards shall be economically feasible in that the resultant savings in energy procurement costs, based on current and projected average residential energy costs in Minnesota as certified by the commissioner in the state register, will exceed the cost of the energy conserving requirements amortized over the ten-year period subsequent to the incurring of the cost. The costs computed under this section shall include reasonable inflation and interest factors. *Subject to the provisions of subdivision 4, with respect to low-rent housing which is owned by a public housing authority or a housing and redevelopment authority, as described in chapter 462, compliance with the standards established by the commissioner shall be determined based upon audits conducted by or on behalf of the housing and redevelopment authority or the public housing authority in conformance with the requirements of Code of Federal Regulations, title 24, sections 965.301 to 965.310. Audits which are conducted by individuals other than employees of the housing and redevelopment authority or the public housing authority shall be conducted by evaluators who are certified pursuant to subdivision 6 or section 116J.31. The determination of the economic feasibility of implementation of the standards in low-rent housing shall be made in accordance with the procedures established by the United States Department of Housing and Urban Development to implement Code of Federal Regulations, title 24, sections 965.301 to 965.310.*

Sec. 2. Minnesota Statutes 1982, section 116J.27, subdivision 4, is amended to read:

Subd. 4. [INSPECTIONS.] The commissioner shall conduct inspections on a random basis for compliance with the provisions of subdivision 3. The commissioner (OF ENERGY, PLANNING AND DEVELOPMENT) may authorize a mu-

nicipality, with its consent, to conduct the inspections within the municipality's jurisdiction. Any municipality which conducts an inspections program in conjunction with existing city inspection programs shall have authority under all subdivisions of section 116J.30 to enforce the provisions of subdivision 3; provided that 50 percent of the penalties to be paid to the state treasury for violation of subdivision 3 shall be paid to the municipality. *With respect to low-rent housing owned by a public housing authority or a housing and redevelopment authority as described in chapter 462, the commissioner or the municipality which conducts the inspection shall submit the results of the inspection to the housing and redevelopment authority or the public housing authority for review. If the housing and redevelopment authority or the public housing authority does not concur in the findings of the commissioner or the municipality, then the housing and redevelopment authority or the public housing authority and the commissioner or the municipality shall select a mutually acceptable independent third party or panel of experts knowledgeable in the area of energy conservation. The results of the inspection, the conclusions of the commissioner or the municipality as to compliance with the standards established pursuant to subdivision 1, and the basis for such conclusions, and the position of the housing and redevelopment authority or the public housing authority and the basis for such position shall be submitted to the independent third party or panel for a determination of the specific energy conservation measures which must be completed for compliance with the standards established pursuant to subdivision 1. The costs of the independent third party or panel shall be paid equally by the housing and redevelopment authority or the public housing authority and the commissioner or the municipality.*

Sec. 3. Minnesota Statutes 1982, section 116J.30, is amended by adding a subdivision to read:

*Subd. 4. With respect to low-rent housing, the provisions of subdivisions 1 and 3 shall not apply to a violation by a housing and redevelopment authority or a public housing authority, or an employee of either, of section 116J.27 or any rule adopted thereunder.*

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 4, delete "1983 Supplement" and insert "1982"

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, delete "subdivision 2" and insert "subdivisions 1 and 4; and 116J.30, by adding a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1998, A bill for an act relating to commerce; excluding certain securities and commodities agreements from plain language contract regulation; amending Minnesota Statutes 1983 Supplement, section 325G.30, subdivision 3.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 2009, A bill for an act relating to taxation; modifying and clarifying the small business investment credits; amending Minnesota Statutes 1983 Supplement, section 290.069, subdivisions 1, 2, 4, 5, and by adding subdivisions.

Reported the same back with the following amendments:

Page 1, line 25, after the period insert "*This clause is satisfied if the corporation employs one full-time professional employee and shares a professional employee with another organization engaged in related activities, including but not limited to providing development financing or other services to businesses.*"

Page 3, after line 29, insert:

*"A qualified small business does not include an entity engaged primarily in the business of farming or providing licensed professional services. The business of farming includes the activities enumerated in section 290.09, subdivision 29, paragraph (a)."*

Page 7, line 32, after the period insert "*The amount of the net investment shall be reduced by any payments made by the qualified small business to redeem shares of its stock or to acquire the assets or stock of another business during a 24-month period beginning one year prior to the taxpayer's purchase of the stock in the qualified small business.*"

Page 8, line 9, after the period insert "*For purposes of the preceding sentence,*"

Page 8, line 18, delete "*investments*" and insert "*an investment*"

Page 8, line 20, delete "*net*" and insert "*credit*"

Page 8, line 21, delete "*investments*"

Page 8, line 23, delete "*each shareholder*" and insert "*the small business corporation*"

Page 8, line 24, delete "*partner*" and insert "*partnership. In no case shall a taxpayer be allowed a maximum credit in excess of that permitted by paragraph (a) or (c)*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2063, A bill for an act relating to the metropolitan airports commission; defining its relationship to the legislature and the metropolitan council; proposing new law coded in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1982, sections 473.611, subdivision 5; and 473.621, subdivision 6.

Reported the same back with the following amendments:

Page 1, before line 10, insert:

"Section 1. Minnesota Statutes 1982, section 473.181, subdivision 5, is amended to read:

Subd. 5. [AIRPORTS.] The council shall review metropolitan airports commission capital projects pursuant to section (473.621, SUBDIVISION 6) 2. (THE PLANS OF THE METROPOLITAN AIRPORTS COMMISSION AND) The development of the metropolitan airports system by the commission shall, as provided in (SECTIONS 473.611, SUBDIVISION 5, AND) *section* 473.655, be consistent with the development guide of the council."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon, insert "amending Minnesota Statutes 1982, section 473.181, subdivision 5;"

With the recommendation that when so amended the bill pass.

The report was adopted.

#### POINT OF ORDER

Skoglund raised a point of order pursuant to rule 5.8 that H. F. No. 2063 be re-referred to the Committee on Governmental Operations. The Speaker deferred his decision pursuant to section 244 of "Mason's Manual of Legislative Procedure."

Mann from the Committee on Transportation to which was referred:

H. F. No. 2180, A resolution memorializing the President and Secretary of Transportation of the United States, the National Transportation Safety Board, and the Minnesota Congressional delegation to implement a program for the reflectorization of railroad rolling stock.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

S. F. No. 311, A bill for an act relating to public welfare; requiring licensure for adult day care facilities; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and by adding a subdivision; 245.783, by adding a subdivision; 245.791; 245.802, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 245.782, subdivision 2, is amended to read:

Subd. 2. "Person" means an adult who is handicapped by reason of mental retardation, mental illness, chemical dependency, or physical handicap (AND); a child, whether handicapped or not; and, for purposes of adult day care and adult foster care, an adult who is functionally impaired.

Sec. 2. Minnesota Statutes 1982, section 245.782, subdivision 5, is amended to read:

Subd. 5. "Day care facility" means any facility, public or private, which for gain or otherwise regularly provides one or more persons with care, training, supervision, habilitation, rehabilitation, or developmental guidance on a regular basis, for periods of less than 24 hours per day, in a place other than the person's own home. Day care facilities include, but are not limited to: family day care homes, group family day care homes, day care centers, day nurseries, nursery schools, (DAYTIME ACTIVITY CENTERS) *developmental achievement centers*, day treatment programs, *adult day care centers*, and day services.

Sec. 3. Minnesota Statutes 1982, section 245.782, is amended by adding a subdivision to read:

*Subd. 14. "Functionally impaired" means having a condition that includes having substantial difficulty in carrying out one or more of the essential major activities of daily living, such as caring for oneself, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, working, or having a disorder of thought or mood that significantly impairs judgment, behavior, capacity to recognize reality, or ability to cope with the ordinary demands of life and requiring support to maintain independence in the community.*

Sec. 4. Minnesota Statutes 1982, section 245.791, is amended to read:

245.791 [EXCLUSIONS.]

Sections 245.781 to 245.812 shall not apply to:

- (1) Day care or residential care provided by a relative to related persons;
- (2) Day care or residential care provided for a cumulative total of less than 30 days in any 12 month period;
- (3) Day care provided for persons from a single unrelated family for any length of time;
- (4) A home caring for a person placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years after placement;
- (5) A licensed hospital whose psychiatric or chemical dependency program is located within the hospital.

(6) A nursing home, hospital, or boarding care home, licensed by the state commissioner of health, except that an identifiable unit of such a facility which regularly provides care for more than five (HANDICAPPED PERSONS) *adults defined as persons in Minnesota Statutes, section 245.782, subdivision 2*, must be licensed under sections 245.781 to 245.812;

(7) (A DAY CARE OR RESIDENTIAL FACILITY SERVING FEWER THAN FIVE PHYSICALLY OR MENTALLY HANDICAPPED ADULTS;)

((8)) A day care or residential program serving any number of (NONHANDICAPPED) adults *who are not defined as persons under Minnesota Statutes, section 245.782, subdivision 2*;

((9)) (8) A sheltered workshop day program, certified by the state board of education;

((10)) (9) A work activity day program, certified by the state board of education;

((11)) (10) A work-wage home providing care for one non-related child who has reached his sixteenth birthday and who has been independently placed for purposes of education or employment;

((12)) (11) A school under the general supervision of the commissioner of education or a local education agency;

((13)) (12) A residential or day care facility under the direct control and supervision of a local education agency or a state agency other than the commissioner;

((14)) (13) Day care provided for periods of no more than three hours per day for any person while his relatives are in the same building, or can be present in the same building within 30 minutes;

((15)) (14) Facilities which in the judgment of the commissioner of education are operated for the primary purpose of educating children shall be exempt from these rules and regulations except insofar as the regulations affect the health and safety of the children therein. The classrooms shall meet the applicable standards of the commissioner of public safety and state commissioner of health.

Sec. 5. Minnesota Statutes 1982, section 245.802, is amended by adding a subdivision to read:

*Subd. 1a. [ADULT DAY CARE CENTERS.] The commissioner shall establish licensure requirements for adult day care*



*centers and shall license each center that applies for a license and meets those requirements.*

Sec. 6. [RULES.]

*The commissioner may promulgate permanent rules to implement the provisions of sections 1 to 5. The commissioner of health shall assist the commissioner of public welfare in determining appropriate license requirements.*

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 public welfare; requiring licensure for adult day care facilities; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and by adding a subdivision; 245.783, by adding a subdivision; 245.791; and 245.802, 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

Tomlinson from the Committee on Taxes to which was referred:

S. F. No. 1196, A bill for an act relating to taxation; providing a temporary sales tax exemption for sales by community service organizations.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 585, 1180, 1273, 1325, 1404, 1418, 1436, 1445, 1446, 1466, 1507, 1533, 1550, 1553, 1561, 1606, 1632, 1633, 1635, 1651, 1658, 1673, 1680, 1706, 1743, 1774, 1775, 1803, 1830, 1839, 1853, 1875, 1877, 1878, 1911, 1912, 1913, 1915, 1918, 1936, 1946, 1952, 1974, 1998, 2009 and 2180 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1350, 311 and 1196 were read for the second time.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House Files were introduced:

Gutknecht introduced:

H. F. No. 2191, A bill for an act relating to unemployment compensation; amending the term "credit week" to mean a week in which an individual earns 30 times the state minimum wage; extending the unemployment compensation ten percent surtax through 1986; increasing from 15 to 26 the number of credit weeks an individual needs to qualify for unemployment compensation; capping the maximum benefit at \$198 until the unemployment compensation fund reaches \$100 million; requiring that an individual seek full-time work to be eligible for unemployment compensation; doing away with reimbursement for the eligibility waiting week; providing that all severance pay is offset against unemployment compensation; increasing from four to eight the number of weeks and weekly benefit amounts in earnings which are necessary to requalify for unemployment compensation; amending Minnesota Statutes 1983 Supplement, sections 268.04, subdivision 29; 268.061, subdivisions 1 and 3; 268.07, subdivision 2; 268.08, subdivisions 1 and 3; and 268.09, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wenzel introduced:

H. F. No. 2192, A bill for an act relating to agriculture; milk quality standards; refining procedures and deadlines for investment reimbursement; amending Minnesota Statutes 1983 Supplement, section 32.417.

The bill was read for the first time and referred to the Committee on Agriculture.

Heinitz introduced:

H. F. No. 2193, A bill for an act relating to financial institutions; credit unions; authorizing the board of directors to establish certain interest rates; amending Minnesota Statutes 1982, section 52.14, subdivision 2.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Wynia, Clawson, Tomlinson, Minne and Onnen introduced:

H. F. No. 2194, A bill for an act relating to taxation; making permanent the withholding of tax refunds of child support debtors; amending Laws 1982, chapter 523, article IV, section 2.

The bill was read for the first time and referred to the Committee on Taxes.

Segal and Tomlinson introduced:

H. F. No. 2195, A bill for an act relating to taxation; limiting the number of years which certain leased property is eligible for homestead benefits; amending Minnesota Statutes 1983 Supplement, section 273.13, subdivision 7d; repealing Minnesota Statutes 1983 Supplement, section 273.13, subdivision 7d.

The bill was read for the first time and referred to the Committee on Taxes.

Wenzel and Omann introduced:

H. F. No. 2196, A bill for an act relating to local government; providing for the conveyance of certain tax forfeited land in Morrison County.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bishop, Frerichs, Gutknecht and Waltman introduced:

H. F. No. 2197, A bill for an act relating to Olmsted County; allowing contracts for solid waste management property, facilities, and services to be let without advertisement for bids.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Nelson, D.; Larsen; Riveness; Hoffman and Long introduced:

H. F. No. 2198, A bill for an act relating to crimes; providing a penalty for falsely reporting a medical emergency; imposing a penalty; amending Minnesota Statutes 1983 Supplement, section 609.78.

The bill was read for the first time and referred to the Committee on Judiciary.

Brandl introduced:

H. F. No. 2199, A bill for an act relating to education; modifying various aids and levies; amending Minnesota Statutes 1982, sections 124.2121, subdivision 4; 124.2122, subdivision 3; Minnesota Statutes 1983 Supplement, sections 124.2122, subdivision 1; 275.125, subdivision 7d; repealing Minnesota Statutes 1983 Supplement, section 124A.06, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Education.

Minne introduced:

H. F. No. 2200, A bill for an act relating to taxation; modifying the taxation of certain railroad property; allowing the commissioner more discretion in valuing railroad property; providing for additional property taxes to be paid in certain cases; appropriating money to make certain property tax refunds for railroad property; amending Minnesota Statutes 1982, sections 270.80, subdivisions 3 and 4; 270.84, subdivision 1; 270.86; and 270.87; proposing new law coded in Minnesota Statutes, chapter 270; repealing Minnesota Statutes 1982, section 270.90.

The bill was read for the first time and referred to the Committee on Taxes.

Schoenfeld; Jensen, Shea; Anderson, B., and Rodosovich introduced:

H. F. No. 2201, A bill for an act relating to taxation; changing the computation of the school agricultural credit retroactive to taxes payable in 1984 in certain cases; removing the maximum targeting credit; increasing local government aid for townships; directing the department of revenue to issue guidelines on certain topics; appropriating money; amending Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 290A.04, subdivision 2e; and 477A.013, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Graba, Tunheim, Bergstrom, Welle and Sparby introduced:

H. F. No. 2202, A bill for an act relating to taxation; changing the computation of the school agricultural credit retroactive to taxes payable in 1984 in certain cases; removing the maximum

targeting credit; increasing local government aid for townships; directing the department of revenue to issue guidelines on certain topics; appropriating money; amending Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 290A.04, subdivision 2e; and 477A.013, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Peterson, Graba, Krueger and Sparby introduced:

H. F. No. 2203, A bill for an act relating to agriculture; allowing milk to be standardized; providing an effective date; amending Minnesota Statutes 1982, section 32.391, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Agriculture.

Sparby and Battaglia introduced:

H. F. No. 2204, A resolution memorializing the President and the Congress of the United States to repeal the Federal Reserve Act.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Swanson and Voss introduced:

H. F. No. 2205, A bill for an act relating to public safety; providing for use of a portion of the proceeds of the tobacco tax; amending Minnesota Statutes 1982, section 297.13, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Hoffman introduced:

H. F. No. 2206, A bill for an act relating to public welfare; providing for special transportation services for the blind elderly; amending Minnesota Statutes 1982, section 174.31, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Bishop introduced:

H. F. No. 2207, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1982, sections 14.40; 97.433, subdivision 3; 116C.73; 116D.06, subdivision 1; 123.78, subdivision 1; 156A.04; 161.16, subdivision 4; 169.45; 256C.02; 302A.115, subdivision 3; 327C.02, subdivision 3; 356.23; 356.25; 383A.09, subdivision 5; 412.022, subdivision 1; 501.78, subdivision 4; 524.3-1201; 609.346, subdivision 2; 609.487, subdivision 4; Minnesota Statutes 1983 Supplement, sections 3.9222, subdivision 6; 14.115, subdivisions 5 and 6; 16.872, subdivision 4; 38.04; 41.61, subdivision 1; 51A.51, subdivisions 2 and 3a; 53.03, subdivision 6; 53.04, subdivision 3a; 60A.17, subdivision 6c; 88.644; 102.26, subdivision 3c; 115.071, subdivision 2b; 116J.28, subdivision 3; 124.195, subdivision 10; 124.272, subdivision 3; 124A.14, subdivision 1; 144A.071, subdivision 5; 168.126, subdivision 1; 176.111, subdivision 18; 240.08, subdivision 2; 241.64, subdivisions 1 and 3; 256B.431, subdivisions 2 and 3; 260.185, subdivision 1; 268.04, subdivision 25; 272.02, subdivision 1; 273.118; 290.01, subdivision 19; 290.09, subdivision 5; 290.10; 290.17, subdivision 2; 290A.03, subdivision 3; 297A.01, subdivision 3; 297A.02, subdivision 3; 297A.25, subdivision 1; 325F.09; 393.07, subdivision 1; 420.13; 505.04; 507.235, subdivision 2; 508.421, subdivision 1; 514.221, subdivision 3; 515A.1-102; 518.17, subdivision 5; 543.20, subdivision 2; 558.215; 629.341, subdivision 1; Laws 1980, chapter 451, section 2; Laws 1983, chapters 128, section 36; 289, section 114, subdivision 1; reenacting Minnesota Statutes 1983 Supplement, sections 45.04, subdivision 1; 116J.28; 256.482, subdivision 2; repealing Minnesota Statutes 1982, sections 156A.031, subdivision 2; 377.06; and 480.059, subdivision 3; repealing Minnesota Statutes 1983 Supplement, section 116D.05; Laws 1982, chapter 501, section 20; Laws 1983, chapters 142, sections 5 and 8; 207, sections 6 and 42; 248, section 3; 253, section 22; 259, section 6; 260, sections 15, 47, and 56, subdivision 2; 277, section 2, subdivision 2; 289, section 16; 293, sections 66, 80, and 83; 301, section 66; 312, article 8, section 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Shaver introduced:

H. F. No. 2208, A bill for an act relating to elections; eliminating the party designated check-off system; amending Minnesota Statutes 1982, section 10A.25, subdivision 10; repealing Minnesota Statutes 1982, sections 10A.30; 10A.31, as amended; and

10A.32, subdivisions 1, 2, 3, 3a, and 4; and Minnesota Statutes 1983 Supplement, section 10A.335.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Shaver and Heap introduced:

H. F. No. 2209, A bill for an act relating to crimes; authorizing the commissioner of corrections to bring a civil action to collect felony fines; exempting indigent inmates from imprisonment for failure to pay felony fines; providing that revenue from felony fines shall be used to finance the operation of correctional institutions; appropriating money; proposing new law coded in Minnesota Statutes, chapter 574.

The bill was read for the first time and referred to the Committee on Judiciary.

Clark, J., introduced:

H. F. No. 2210, A bill for an act relating to crimes; providing a penalty for theft of certain records; amending Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Graba and Anderson, B., introduced:

H. F. No. 2211, A bill for an act relating to education; providing for a three-year probationary period for teachers employed in independent school districts; amending Minnesota Statutes 1982, section 125.12, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

DenOuden, Vanasek, Jennings, Wenzel and Tomlinson introduced:

H. F. No. 2212, A bill for an act relating to taxation; property; changing computation of the school agricultural credit beginning with taxes payable in 1984; appropriating money; amending Minnesota Statutes 1983 Supplement, section 124.2137, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Clark, K.; Brandl and Coleman introduced:

H. F. No. 2213, A bill for an act relating to job training; authorizing demonstration grants for training and habilitation services for persons with certain disabilities; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Vanasek and Dempsey introduced:

H. F. No. 2214, A bill for an act relating to civil actions; requiring agreements for loans of money, repayment of money, or extensions of credit to be in writing; amending Minnesota Statutes 1982, section 513.01.

The bill was read for the first time and referred to the Committee on Judiciary.

Carlson, L., introduced:

H. F. No. 2215, A bill for an act relating to economic development; authorizing certain incorporators to establish two innovation center public corporations to assist in the development of the state's high technology businesses, products, and systems by providing certain services and assistance; establishing the purposes, powers, and duties of the corporation; providing for directors, articles, and by-laws; appropriating money; proposing new law coded as Minnesota Statutes, chapter 301B.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

Rodriguez, C.; Carlson, L., and Nelson, K., introduced:

H. F. No. 2216, A bill for an act relating to education; lengthening membership on the higher education coordinating board to six-year terms; amending Minnesota Statutes 1982, section 136A.02, subdivision 1a.

The bill was read for the first time and referred to the Committee on Education.



Shaver introduced:

H. F. No. 2217, A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; redefining certain terms in relation to congressional candidates; limiting the applicability of certain provisions of law to state constitutional and state legislative candidates; providing for the transfer of debts and funds of a principal campaign committee under certain circumstances; providing for filing of campaign reports by certain congressional candidates; proposing expenditure limits for congressional candidates who choose to receive a public subsidy; providing a penalty for exceeding campaign expenditure limits by congressional candidates; providing for the allocation of the general account to certain state and congressional candidates; providing estimates of minimum amounts of public subsidy to be received by certain congressional candidates; requiring signed agreements by congressional candidates who choose to receive a public subsidy; specifying when congressional candidates who accept a public subsidy must return all or part thereof; providing for the return of money from the state elections campaign fund to the general fund; making certain technical amendments; imposing penalties; amending Minnesota Statutes 1982, sections 10A.01, as amended; 10A.13, by adding a subdivision; 10A.15, subdivision 1; 10A.19, subdivision 1; 10A.25; 10A.255; 10A.27; 10A.28; 10A.30; 10A.31, subdivisions 1, 3, 4, 5, 11, and by adding subdivisions; and 10A.32, subdivision 3, and by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 10A.275; and 290.06, subdivision 11; proposing new law coded in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1982, sections 10A.31, subdivisions 3a, 6, 7, 8, 9, and 10; and 10A.32, subdivisions 3a and 4; and Minnesota Statutes 1983 Supplement, sections 10A.31, subdivision 2; 10A.32, subdivision 36; and 10A.335.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Shea; Anderson, G.; Schreiber; Long and Pauly introduced:

H. F. No. 2218, A bill for an act relating to public finance; authorizing additional investment alternatives; providing for the delivery of municipal obligations in certificated or uncertificated form; providing restrictions on the use of certain data; providing a formula for determining limitations on interest rates on municipal obligations; providing an alternative procedure for conducting a public sale of municipal obligations; amending Minnesota Statutes 1982, sections 471.56, by adding a subdivision; 475.55, subdivisions 1, 4, and by adding a subdivision;

475.60, subdivision 3, and by adding a subdivision; repealing Minnesota Statutes 1982, sections 475.71; and 475.76, subdivision 5.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Wynia, Vellenga and Cohen introduced:

H. F. No. 2219, A bill for an act relating to intoxicating liquor; authorizing on-sale wine licenses outside the boundaries of liquor patrol limits; amending Minnesota Statutes 1982, section 340.11, subdivision 20.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Fjoslien introduced:

H. F. No. 2220, A bill for an act relating to agriculture; providing for a full-time extension agent for Grant County; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Larsen introduced:

H. F. No. 2221, A bill for an act relating to unemployment compensation; regulating benefit eligibility for certain contractors; repealing Minnesota Statutes 1983 Supplement, section 268.08, subdivision 9.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Knuth and Munger introduced:

H. F. No. 2222, A bill for an act relating to water; providing for comprehensive local water management; requiring counties to develop and implement county water and land resources plans; authorizing the environmental quality board to make comprehensive water planning grants to counties; providing additional authorities to counties; providing additional duties of the environmental quality board; appropriating money; proposing new law coded in Minnesota Statutes, chapter 116C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Metzen introduced:

H. F. No. 2223, A bill for an act relating to housing; tax exempt financing; changing the formula and competitive system for the allocation of qualified mortgage bonds; amending Minnesota Statutes 1982, section 462C.09, subdivision 2.

The bill was read for the first time and referred to the Committee on Energy.

Anderson, G., introduced:

H. F. No. 2224, A bill for an act relating to public employment; eliminating the presumption of impasse after the passage of time; providing for changes in the required strike notice; granting certain powers to the director of the bureau of mediation services; amending Minnesota Statutes 1982, sections 179.64, subdivision 1; 179.69, subdivisions 1 and 3; 179.71, subdivision 5; repealing Minnesota Statutes 1982, sections 179.64, subdivision 1a; 179.691; and 179.692.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Wenzel introduced:

H. F. No. 2225, A bill for an act relating to elections; changing the date of the state primary; amending Minnesota Statutes 1982, sections 204B.27, subdivision 2; 204D.03, subdivision 1; Minnesota Statutes 1983 Supplement, sections 204B.21, subdivision 1; and 204B.33.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Norton introduced:

H. F. No. 2226, A bill for an act relating to the city of St. Paul; authorizing the city to issue on-sale intoxicating liquor licenses in excess of the statutory limit for use in city development districts.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Simoneau introduced:

H. F. No. 2227, A bill for an act relating to workers' compensation; providing for determination of disability in cases of occupational disability; amending Minnesota Statutes 1982, section 176.66, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Segal introduced:

H. F. No. 2228, A bill for an act relating to education; requiring elementary schools to offer programs promoting healthy behaviors and lifestyles; establishing a pilot health program for school personnel; proposing new law coded in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Valan and Sieben introduced:

H. F. No. 2229, A bill for an act relating to notaries public; authorizing appointment of out-of-state notaries; requiring designation of the clerk of district court of the county in which appointment is sought as agent for out-of-state notaries; amending Minnesota Statutes 1982, section 359.01.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Rose introduced:

H. F. No. 2230, A bill for an act relating to the University of Minnesota; appropriating money for road improvements in the City of Falcon Heights.

The bill was read for the first time and referred to the Committee on Appropriations.

Staten; Bishop; Clark, J., and Vanasek introduced:

H. F. No. 2231, A bill for an act relating to public welfare; authorizing the commissioner to enter into interstate adoption compacts; establishing procedures for interstate assistance pay-

ments; amending Minnesota Statutes 1983 Supplement, section 256B.06, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 259.

The bill was read for the first time and referred to the Committee on Judiciary.

Vanasek, Onnen, Sviggum, Jacobs and Bergstrom introduced :

H. F. No. 2232, A bill for an act relating to taxation; providing that certain income tax deductions for contributions may be carried forward; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Solberg, Begich, Minne, Boo and Evans introduced :

H. F. No. 2233, A bill for an act relating to local government; establishing emergency property tax relief aid; appropriating money; amending Minnesota Statutes 1983 Supplement, section 275.51, subdivision 3i; proposing new law coded in Minnesota Statutes, chapter 477A.

The bill was read for the first time and referred to the Committee on Taxes.

Rodriguez, F.; Osthoff; Norton; Wynia and O'Connor introduced :

H. F. No. 2234, A bill for an act relating to the city of St. Paul; authorizing the issuance of a license for the sale of intoxicating liquor at the Ordway Music Theatre; requiring local approval.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Marsh, McKasy, Gutknecht, Findlay and Sherman introduced :

H. F. No. 2235, A bill for an act relating to retirement; authorizing recalculation of certain annuities and benefits.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Welle, Peterson, Blatz, Welch and Sviggum introduced:

H. F. No. 2236, A bill for an act relating to health; encouraging philanthropic support of nonprofit hospitals and nursing homes; providing that funds derived from specified types of gifts or grants shall not be deducted from the operating costs of a nursing home; amending Minnesota Statutes 1982, section 144.704, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Piepho, Kalis, Quist, Wigley and Vanasek introduced:

H. F. No. 2237, A bill for an act relating to district public defenders; providing that district public defenders be appointed by a bid process; requiring the judges of each judicial district to submit the budget for the office of district public defender to the board of county commissioners for approval; amending Minnesota Statutes 1982, sections 611.26, subdivisions 2, 3, and 5; and 611.27; repealing Minnesota Statutes 1982, section 611.26, subdivision 8.

The bill was read for the first time and referred to the Committee on Judiciary.

Elioff, Battaglia and Begich introduced:

H. F. No. 2238, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Koochiching County; appropriating money.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Uphus and Fjoslien introduced:

H. F. No. 2239, A bill for an act relating to state lands; conveying certain lands to the city of Melrose.

The bill was read for the first time and referred to the Committee on Governmental Operations.

McKasy, Marsh, Valento and Rose introduced:

H. F. No. 2240, A bill for an act relating to taxation; sales; exempting sales by certain organizations; amending Minnesota Statutes 1983 Supplement, section 297A.25, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Norton introduced:

H. F. No. 2241, A bill for an act relating to the operation of state government; changing the law on the administration of state finances and accounting practices; amending Minnesota Statutes 1982, sections 3.3005; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 16.026, subdivisions 3 and 7; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision 2; 16A.28; 16A.45; 16A.53; 16A.63; 16A.64, as amended; 16A.65; 16A.66, as amended; 16A.671; 16A.675; 43A.30, by adding a subdivision; 158.07; 158.08; Minnesota Statutes 1983 Supplement, sections 16A.125, subdivision 5; 16A.15, subdivision 6; 16A.36; 16A.672; 298.296, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.54; 16A.59; and 16A.73.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Vanasek introduced:

H. F. No. 2242, A bill for an act relating to courts; providing that public defenders in misdemeanors cases shall be appointed by the county board; amending Minnesota Statutes 1983 Supplement, section 611.14.

The bill was read for the first time and referred to the Committee on Judiciary.

Otis introduced:

H. F. No. 2243, A bill for an act relating to energy; prohibiting public utilities from establishing large volume contract service rates; amending Minnesota Statutes 1982, section 216B.07.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Clawson introduced:

H. F. No. 2244, A bill for an act relating to public welfare; establishing procedures for the involuntary administration of antipsychotic medications; amending Minnesota Statutes 1983 Supplement, section 253B.03, subdivision 6; proposing new law coded in Minnesota Statutes, chapter 253B.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Clawson introduced:

H. F. No. 2245, A bill for an act relating to crimes; prohibiting the purchase or sale of human organs; amending Minnesota Statutes 1982, section 145.422, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Segal, Brandl and Nelson, K., introduced:

H. F. No. 2246, A bill for an act relating to education; ensuring minimum amounts of financial support to the regional public library system; requiring county board of commissioners to appoint at least one representative to the regional public library system board; proposing new law coded in Minnesota Statutes, chapter 134.

The bill was read for the first time and referred to the Committee on Education.

Begich introduced:

H. F. No. 2247, A bill for an act relating to public health; exempting increases of less than five swing beds from certificate of need review; amending Minnesota Statutes 1982, section 145.833, subdivision 5.

The bill was read for the first time and referred to the Committee on Health and Welfare.



Norton introduced:

H. F. No. 2248, A bill for an act relating to probate; providing for ante-mortem probate of wills; proposing new law coded in Minnesota Statutes, chapter 525.

The bill was read for the first time and referred to the Committee on Judiciary.

Vanasek; Sieben; Nelson, D., and Price introduced:

H. F. No. 2249, A bill for an act relating to local government; restoring county government local government aid reductions; amending Minnesota Statutes 1983 Supplement, section 477A.012.

The bill was read for the first time and referred to the Committee on Taxes.

McKasy introduced:

H. F. No. 2250, A bill for an act relating to retirement; benefits of judges and survivors under the uniform retirement and survivors' annuities law; amending Minnesota Statutes 1982, section 490.129.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Cohen introduced:

H. F. No. 2251, A bill for an act authorizing the city of Saint Paul to issue on-sale intoxicating liquor licenses in excess of the statutory limit to the city's downtown business district; prohibiting transfers of intoxicating liquor licenses in the city of Saint Paul beginning on January 1, 1994; and prohibiting transfer of licenses issued pursuant to this act.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Nelson, K.; Skoglund; Boo and Forsythe introduced:

H. F. No. 2252, A bill for an act relating to public welfare; establishing a children's trust fund for the prevention of child

abuse and neglect; establishing an income tax checkoff to provide money for the fund; proposing new law coded in Minnesota Statutes, chapters 256 and 290.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Kalis, Wenzel, Krueger and Clawson introduced:

H. F. No. 2253, A bill for an act relating to taxation; changing the computation of the school agricultural credit retroactive to taxes payable in 1984 in certain cases; removing the maximum targeting credit; increasing local government aid for townships; directing the department of revenue to issue guidelines on certain topics; appropriating money; amending Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 290A.04, subdivision 2e; and 477A.013, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Anderson, G.; Mann; Ogren and Peterson introduced:

H. F. No. 2254, A bill for an act relating to taxation; changing the computation of the school agricultural credit retroactive to taxes payable in 1984 in certain cases; removing the maximum targeting credit; increasing local government aid for townships; directing the department of revenue to issue guidelines on certain topics; appropriating money; amending Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 290A.04, subdivision 2e; and 477A.013, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

Bennett and Voss introduced:

H. F. No. 2255, A bill for an act relating to local government; permitting a land transfer between Ramsey County and the city of Shoreview.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

Norton introduced:

H. F. No. 2256, A bill for an act relating to probate; clarifying requirements that the attorney general be notified of certain charitable bequests and devises; amending Minnesota Statutes 1982, sections 501.79, subdivision 5; 524.1-404; and 525.831.

The bill was read for the first time and referred to the Committee on Judiciary.

Norton introduced:

H. F. No. 2257, A bill for an act relating to state departments and agencies; requiring senate approval for the governor's appointment of state planning director; amending Minnesota Statutes 1983 Supplement, section 116K.02, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kelly, Otis, Jacobs and Evans introduced:

H. F. No. 2258, A bill for an act relating to public utilities; amending the definition of public utility; amending Minnesota Statutes 1983 Supplement, section 216B.02, subdivision 4.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Anderson, G., introduced:

H. F. No. 2259, A bill for an act relating to taxation; motor vehicle excise; exempting certain vehicles engaged in interstate transportation; amending Minnesota Statutes 1983 Supplement, section 297B.03.

The bill was read for the first time and referred to the Committee on Taxes.

Begich and Battaglia introduced:

H. F. No. 2260, A bill for an act relating to taxation; revising contiguous boundary and population requirements for designation of enterprise zones; amending Minnesota Statutes 1983 Supplement, section 273.1312, subdivision 4.

The bill was read for the first time and referred to the Committee on Taxes.

Norton introduced:

H. F. No. 2261, A bill for an act relating to state government; proposing an amendment to the Minnesota Constitution, article IV, section 23; article V, sections 1, 3, and 4; article VII, section 8; article VIII, section 2; article XI, sections 7 and 8; and article XIII, section 11; eliminating the offices of state treasurer and secretary of state and transferring their duties to officers designated by statute.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Clawson introduced:

H. F. No. 2262, A bill for an act relating to retirement; guaranteeing public employees certain pension rights; amending Minnesota Statutes 1982, sections 3.85, by adding subdivisions; 3A.02, subdivision 3; 3A.03, subdivision 1; 3A.11, as amended; 11A.18, as amended; 275.51, by adding a subdivision; 352.01, subdivision 12; 352.04, subdivisions 1, 2, and 3; 352.119; 352.12, subdivision 1; 352.22, subdivision 2; 352.23; 352.27; 352.271; 352.75, subdivision 4; 352.92; 352B.11, subdivision 2; 352B.26; 352C.033; 352C.051, subdivision 3; 352C.09, subdivision 1; 352C.10; 352D.01; 352D.02, by adding a subdivision; 352D.05, subdivision 4; 352D.06; 353.01, subdivisions 2a, 14, 16, and by adding subdivisions; 353.025; 353.028; 353.06; 353.27, subdivision 2; 353.271; 353.35; 353.36, subdivision 2; 353.65, subdivisions 2 and 3; 354.05, subdivisions 7 and 26; 354.41, subdivision 9; 354.42, subdivision 5; 354.47, subdivision 1; 354.49, subdivisions 2 and 3; 354.50, subdivision 2; 354.51, subdivisions 4 and 5; 354.53, subdivision 1; 354.532, subdivision 3; 354.62, subdivision 5; 354.63, as amended; 354A.093; 354A.12, subdivision 2; 354A.37, subdivisions 3 and 4; 354A.38, subdivision 3; 356.20, subdivision 4; 356.215, subdivision 4; 356.41; 356.453; 422A.01, subdivision 13; 422A.06, subdivisions 3, 5, and 8; 422A.08, subdivision 5; 422A.09, subdivision 3; 422A.101, subdivisions 1, 1a, 2, 3, and by adding a subdivision; 422A.11, subdivision 2; 422A.16, subdivision 5; 422A.18, subdivision 2; 422A.221, subdivision 2; 423A.02; 490.106; 490.123, subdivision 3; 490.124, subdivision 6; Minnesota Statutes 1983 Supplement, sections 3A.03, subdivision 2; 69.77, subdivision 2; 352B.02, subdivision 1; 352B.11, subdivisions 1 and 4; 353.27, subdivision 12; 353.28, subdivision 5; 353.32, subdivision 1; 353.34, subdivision 2; proposing new law coded in Minnesota Statutes, chapters 3A; 352; 352B; 352C; 353; 354; 356; 422A; and 490; repealing Minnesota Statutes 1982, sections 353.27, subdivision 3a; and 353.662.

The bill was read for the first time and referred to the Committee on Governmental Operations.

## HOUSE ADVISORIES

The following House Advisory was introduced:

Frerichs and Rodriguez, C., introduced:

H. A. No. 56, A proposal to study and design a program to encourage seatbelt usage.

The advisory was referred to the Committee on Transportation.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1127, 1139, 1331, 1433 and 1757.

PATRICK E. FLAHAVER, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1127, A bill for an act relating to Anoka County; authorizing the issuance of bonds for the construction of library buildings and an annual levy for debt retirement.

The bill was read for the first time.

Simoneau moved that S. F. No. 1127 and H. F. No. 1153, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1139, A bill for an act relating to local government; requiring notice of and hearings on increases in certain license fees; proposing new law coded in Minnesota Statutes, chapter 471.

The bill was read for the first time.

Clawson moved that S. F. No. 1139 and H. F. No. 1180, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1331, A bill for an act relating to transportation; designating a bridge as the "Veterans Memorial Bridge"; amending Minnesota Statutes 1982, section 161.14, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

S. F. No. 1433, A bill for an act relating to natural resources; extension of state timber permits; amending Laws 1981, chapter 305, section 11, as amended; proposing new law coded in Minnesota Statutes, chapter 90.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1757, A bill for an act relating to water well contractors; licensing and regulating use of vertical heat exchangers; amending Minnesota Statutes 1982, section 156A.02, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 156A.

The bill was read for the first time.

Welch moved that S. F. No. 1757 and H. F. No. 1830, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

### CONSENT CALENDAR

H. F. No. 1032, A bill for an act relating to Washington county; permitting the county to assess for highway improvements within cities.

The bill was read for the third 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:

Anderson, B.	Blatz	Clawson	Erickson	Gutknecht
Anderson, G.	Boo	Cohen	Evans	Haukoos
Anderson, R.	Brandl	Coleman	Findlay	Heap
Battaglia	Brinkman	Dempsey	Fjoslien	Heinitz
Beard	Burger	DenOuden	Forsythe	Himle
Begich	Carlson, D.	Dimler	Frerichs	Hoffman
Bennett	Carlson, L.	Eken	Greenfield	Hokr
Bergstrom	Clark, J.	Elioff	Gruenes	Jacobs
Bishop	Clark, K.	Ellingson	Gustafson	Jennings

Jensen	McEachern	Peterson	Scheid	Tomlinson
Johnson	McKasy	Piepho	Schoenfeld	Tunheim
Kalis	Metzen	Piper	Schreiber	Uphus
Kelly	Minne	Price	Seaberg	Valan
Knickerbocker	Munger	Quinn	Segal	Valento
Knuth	Murphy	Quist	Shea	Vellenga
Kostohryz	Nelson, D.	Redalen	Sherman	Waltman
Krueger	Neuenschwander	Reif	Simoneau	Welch
Kvam	Norton	Riveness	Skoglund	Welker
Larsen	O'Connor	Rodosovich	Solberg	Welle
Levi	Ogren	Rodriguez, C.	Sparby	Wenzel
Long	Olsen	Rodriguez, F.	Stadum	Wigley
Ludeman	Omann	Rose	Staten	Zaffke
Mann	Onnen	St. Onge	Sviggum	Speaker Sieben
Marsh	Osthoff	Sarna	Swanson	
McDonald	Pauly	Schafer	Thiede	

The bill was passed and its title agreed to.

H. F. No. 1509, A bill for an act relating to motor vehicles; prohibiting fees for the return of number plates; amending Minnesota Statutes 1982, section 168.15.

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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Osthoff	Simoneau
Anderson, G.	Erickson	Kostohryz	Pauly	Skoglund
Anderson, R.	Evans	Krueger	Peterson	Solberg
Battaglia	Findlay	Kvam	Piepho	Sparby
Beard	Fjoslien	Larsen	Piper	Stadum
Begich	Forsythe	Levi	Price	Staten
Bennett	Frerichs	Long	Quist	Sviggum
Bergstrom	Graba	Ludeman	Redalen	Swanson
Bishop	Greenfield	Mann	Reif	Thiede
Blatz	Gruenes	Marsh	Rice	Tomlinson
Brandl	Gustafson	McDonald	Riveness	Tunheim
Brinkman	Gutknecht	McEachern	Rodosovich	Uphus
Burger	Haukoos	McKasy	Rodriguez, C.	Valan
Carlson, D.	Heap	Metzen	Rodriguez, F.	Valento
Carlson, L.	Heinitz	Minne	Rose	Vellenga
Clark, J.	Himle	Munger	St. Onge	Waltman
Clark, K.	Hoffman	Murphy	Sarna	Welch
Clawson	Hokr	Nelson, D.	Schafer	Welker
Cohen	Jacobs	Neuenschwander	Scheid	Welle
Coleman	Jennings	Norton	Schoenfeld	Wenzel
Dempsey	Jensen	O'Connor	Schreiber	Wigley
DenOuden	Johnson	Ogren	Seaberg	Zaffke
Dimler	Kalis	Olsen	Segal	Speaker Sieben
Eken	Kelly	Omann	Shea	
Elioff	Knickerbocker	Onnen	Sherman	

The bill was passed and its title agreed to.

H. F. No. 1532, A bill for an act relating to agriculture; designating milk as the official state drink; proposing new law coded in Minnesota Statutes, chapter 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:

Anderson, B.	Elioff	Knickerbocker	Onnen	Shea
Anderson, C.	Ellingson	Knuth	Osthoff	Sherman
Anderson, R.	Erickson	Kostohryz	Pauly	Simoncau
Battaglia	Evans	Krueger	Peterson	Skoglund
Beard	Findlay	Kvam	Piepho	Solberg
Begich	Fjoslien	Larsen	Piper	Sparby
Bennett	Forsythe	Levi	Price	Stadum
Bergstrom	Frerichs	Long	Quinn	Staten
Bishop	Graba	Ludeman	Quist	Sviggum
Blatz	Greenfield	Mann	Redalen	Swanson
Boo	Gruenes	Marsh	Reif	Thiede
Brandl	Gustafson	McDonald	Rice	Tomlinson
Brinkman	Gutknecht	McEachern	Riveness	Tunheim
Burger	Haukoos	McKasy	Rodosovich	Uphus
Carlson, D.	Heap	Metzen	Rodriguez, C.	Valan
Carlson, L.	Heinitz	Minne	Rodriguez, F.	Valento
Clark, J.	Himle	Munger	Rose	Vellenga
Clark, K.	Hoffman	Murphy	St. Onge	Waltman
Clawson	Hokr	Nelson, D.	Sarna	Welch
Cohen	Jacobs	Neuenschwander	Schafer	Welker
Coleman	Jennings	Norton	Scheid	Welle
Dempsey	Jensen	O'Connor	Schoenfeld	Wenzel
DenOuden	Johnson	Ogren	Schreiber	Wigley
Dimler	Kalis	Olsen	Seaberg	Zaffke
Eken	Kelly	Omann	Shaver	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1620, A bill for an act relating to rehabilitation services for blind and visually handicapped persons; authorizing adoption of rules; amending Minnesota Statutes 1982, section 248.07, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Begich	Boo	Carlson, L.	Coleman
Anderson, C.	Bennett	Brandl	Clark, J.	Dempsey
Anderson, R.	Bergstrom	Brinkman	Clark, K.	DenOuden
Battaglia	Bergstrom	Burger	Clawson	Dimler
Beard	Blatz	Carlson, D.	Cohen	Eken



Elioff	Jensen	Murphy	Rodosovich	Sviggum
Ellingson	Johnson	Nelson, D.	Rodriguez, C.	Swanson
Erickson	Kalis	Neuenschwander	Rodriguez, F.	Thiede
Evans	Kelly	Norton	Rose	Tomlinson
Findlay	Knickerbocker	O'Connor	St. Onge	Tunheim
Fjoslien	Knuth	Ogren	Sarna	Uphus
Forsythe	Kostohryz	Olsen	Schafer	Valan
Frerichs	Krueger	Omann	Scheid	Valento
Graba	Kvam	Onnen	Schoenfeld	Vellenga
Greenfield	Larsen	Osthoff	Schreiber	Waltman
Gruenes	Levi	Pauly	Seaberg	Welch
Gustafson	Long	Peterson	Segal	Welker
Gutknecht	Ludeman	Piepho	Shaver	Welle
Haukoos	Mann	Piper	Shea	Wenzel
Heap	Marsh	Price	Sherman	Wigley
Heinitz	McDonald	Quinn	Simoneau	Zaffke
Himle	McEachern	Quist	Skoglund	Speaker Sieben
Hoffman	McKasy	Redalen	Solberg	
Hokr	Metzen	Reif	Sparby	
Jacobs	Minne	Rice	Stadum	
Jennings	Munger	Riveness	Staten	

The bill was passed and its title agreed to.

H. F. No. 1652, A bill for an act relating to no-fault insurance; requiring no-fault insurance coverage of certain benefits rather than medicare coverage; amending Minnesota Statutes 1982, section 65B.61, subdivision 1; repealing Minnesota Statutes 1982, section 65B.61, subdivision 2b.

The bill was read for the third 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:

Anderson, B.	Dempsey	Hokr	Metzea	Rodosovich
Anderson, G.	DenOuden	Jacobs	Minne	Rodriguez, C.
Anderson, R.	Dimler	Jennings	Munger	Rodriguez, F.
Battaglia	Eken	Jensen	Murphy	Rose
Beard	Elioff	Johnson	Nelson, D.	St. Onge
Begich	Ellingson	Kalis	Neuenschwander	Sarna
Bennett	Erickson	Kelly	Norton	Schafer
Bergstrom	Evans	Knickerbocker	O'Connor	Scheid
Bishop	Findlay	Knuth	Ogren	Schoenfeld
Blatz	Fjoslien	Kostohryz	Olsen	Schreiber
Boo	Forsythe	Krueger	Omann	Seaberg
Brandl	Graba	Kvam	Onnen	Segal
Brinkman	Greenfield	Larsen	Osthoff	Shaver
Burger	Gruenes	Levi	Pauly	Shea
Carlson, D.	Gustafson	Long	Piepho	Sherman
Carlson, L.	Gutknecht	Ludeman	Piper	Simoneau
Clark, J.	Haukoos	Mann	Price	Skoglund
Clark, K.	Heap	Marsh	Quinn	Solberg
Clawson	Heinitz	McDonald	Quist	Sparby
Cohen	Himle	McEachern	Redalen	Stadum
Coleman	Hoffman	McKasy	Riveness	Staten

Sviggum	Tunheim	Vellenga	Welker	Wigley
Swanson	Uphus	Waltman	Welle	Zaffke
Thiede	Valan	Welch	Wenzel	Speaker Sieben
Tomlinson	Valento			

The bill was passed and its title agreed to.

H. F. No. 1670 was reported to the House.

There being no objection H. F. No. 1670 was continued one day.

H. F. No. 1843 was reported to the House.

Upon objection of ten members H. F. No. 1843 was stricken from the Consent Calendar and returned to General Orders.

H. F. No. 1916, A resolution memorializing the President, Congress, and the United States Department of Agriculture to take speedy action to insure that frozen pizzas are wholesome, nutritious, flavorful, truthfully labeled, and entirely healthful by approving proposed standards for real cheese content on frozen meat pizzas and affirming that all meat on frozen pizzas should be cooked.

The bill was read for the third 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 5 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kostohryz	Osthoff	Shaver
Anderson, G.	Findlay	Krueger	Pauly	Shea
Anderson, R.	Fjoslien	Kvam	Peterson	Sherman
Battaglia	Forsythe	Larsen	Piepho	Skoglund
Beard	Frerichs	Levi	Piper	Sparby
Bennett	Graba	Long	Price	Stadum
Bergstrom	Greenfield	Mann	Quinn	Staten
Bishop	Gruenes	Marsh	Quist	Sviggum
Blatz	Gustafson	McDonald	Redalen	Swanson
Brandl	Haukoos	McEachern	Reif	Thiede
Brinkman	Heap	Metzen	Riveness	Tomlinson
Burger	Heinitz	Minne	Rodosovich	Tunheim
Carlson, D.	Himle	Munger	Rodriguez, C.	Uphus
Carlson, L.	Hoffman	Murphy	Rodriguez, F.	Valan
Clark, J.	Hokr	Nelson, D.	Rose	Valento
Clark, K.	Jacobs	Nelson, K.	St. Onge	Waltman
Cohen	Jennings	Neuenschwander	Sarna	Welch
Coleman	Jensen	Norton	Schafer	Welle
Dimler	Johnson	O'Connor	Scheid	Wenzel
Eken	Kalis	Ogren	Schoenfeld	Wigley
Elioff	Kelly	Olsen	Schreiber	Zaffke
Ellingson	Knickerbocker	Omann	Seaberg	Speaker Sieben
Frickson	Knuth	Onnen	Segal	

Those who voted in the negative were:

Begich                      Boo                      Simoneau                      Solberg                      Welker

The bill was passed and its title agreed to.

H. F. No. 1944, A bill for an act relating to financial institutions; qualifying obligations of the African Development Bank for public and private investment; amending Minnesota Statutes 1982, sections 11A.24, subdivision 2; 50.14, by adding a subdivision; and 61A.28, subdivision 2; Minnesota Statutes 1983 Supplement, section 60A.11, subdivision 14.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Peterson	Skoglund
Anderson, G.	Evans	Kvam	Piepho	Solberg
Anderson, R.	Findlay	Larsen	Piper	Sparby
Battaglia	Fjoslien	Levi	Price	Stadum
Beard	Forsythe	Long	Quinn	Staten
Begich	Frerichs	Ludeman	Quist	Sviggum
Bennett	Graba	Mann	Redalen	Swanson
Bergstrom	Greenfield	Marsh	Reif	Thiede
Bishop	Gruenes	McDonald	Rivencss	Tomlinson
Blatz	Gustafson	McEachern	Rodosovich	Tunheim
Boo	Gutknecht	McKasy	Rodriguez, C.	Uphus
Brandl	Haukoos	Metzen	Rodriguez, F.	Valan
Brinkman	Heap	Minne	Rose	Valento
Burger	Heimitz	Munger	St. Onge	Vellenga
Carlson, D.	Himle	Murphy	Sarna	Waltman
Carlson, L.	Hoffman	Nelson, D.	Schafer	Welch
Clark, J.	Hokr	Nelson, K.	Scheid	Welker
Clark, K.	Jacobs	Neuenschwander	Schoenfeld	Welle
Cohen	Jensen	Norton	Schreiber	Wenzel
Coleman	Johnson	Ogren	Seaberg	Wigley
Dempsey	Kalis	Olsen	Segal	Zaffke
DenOuden	Kelly	Omann	Shaver	Speaker Sieben
Dimler	Knickerbocker	Onnen	Shea	
Eken	Knuth	Osthoff	Sherman	
Elioff	Kostohryz	Pauly	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1999, A bill for an act relating to the city of Duluth; authorizing the establishment of an energy conservation program for dwellings as a part of its municipal utility system and the issuance of municipal revenue bonds for that purpose; amending Laws 1981, chapter 223, section 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Osthoff	Shea
Anderson, G.	Erickson	Krueger	Pauly	Sherman
Anderson, R.	Evans	Kvam	Peterson	Simoneau
Battaglia	Findlay	Larsen	Piepho	Skoglund
Beard	Fjoslien	Levi	Piper	Solberg
Begich	Forsythe	Long	Price	Sparby
Bennett	Graba	Mann	Quinn	Stadum
Bergstrom	Greenfield	McDonald	Quist	Staten
Bishop	Gruenes	McEachern	Redalen	Swanson
Blatz	Gustafson	McKasy	Reif	Tomlinson
Boo	Gutknecht	Metzen	Rivness	Tunheim
Brandl	Heap	Minne	Rodosovich	Uphus
Brinkman	Heinitz	Munger	Rodriguez, C.	Valan
Burger	Himle	Murphy	Rodriguez, F.	Vellenga
Carlson, D.	Hoffman	Nelson, D.	Rose	Waltman
Carlson, L.	Hokr	Nelson, K.	St. Onge	Welch
Clark, J.	Jacobs	Neuenschwander	Sarna	Welle
Clark, K.	Jensen	Norton	Scheid	Wenzel
Cohen	Johnson	O'Connor	Schoenfeld	Wigley
Coleman	Kalis	Ogren	Schreiber	Zaffke
Dempsey	Kelly	Olson	Seaberg	Speaker Sieben
Dunler	Knickerbocker	Omman	Segal	
Elioff	Knuth	Onnen	Shaver	

Those who voted in the negative were:

DenOuden	Haukoos	Schafer	Thiede	Welker
Frerichs	Ludeman			

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 432, A bill for an act relating to soil and water conservation; prohibiting in certain counties practices which cause accelerated erosion or sedimentation; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 40.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 84 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bishop	Clark, J.	Gruenes	Hokr
Battaglia	Blatz	Clark, K.	Gustafson	Jacobs
Beard	Boo	Cohen	Gutknecht	Jensen
Begich	Burger	Coleman	Heap	Johnson
Bennett	Carlson, D.	Elioff	Himle	Kelly
Bergstrom	Carlson, L.	Forsythe	Hoffman	Knickerbocker

Kostohryz	Nelson, D.	Piper	Scheid	Staten
Larsen	Nelson, K.	Price,	Schoenfeld	Swanson
Levi	Norton	Quinn	Schreiber	Tomlinson
Mann	O'Connor	Quist	Seaberg	Valan
Marsh	Olsen	Redalen	Segal	Vellenga
McEachern	Omann	Reif	Shaver	Waltman
McKasy	Onnen	Riveness	Shea	Welch
Metzen	Osthoff	Rodosovich	Sherman	Welle
Minne	Pauly	Rodriguez, C.	Simoneau	Wenzel
Munger	Peterson	Rose	Skoglund	Speaker Sieben
Murphy	Piepho	Sarna	Solberg	

Those who voted in the negative were:

Anderson, R.	Evans	Jennings	St. Onge	Valento
Brinkman	Findlay	Kalis	Schafer	Welker
Dempsey	Fjoslien	Krueger	Sparby	Wigley
DenOuden	Frerichs	Kvam	Stadium	Zaffke
Dinler	Graba	Ludeman	Sviggum	
Eken	Haukoos	McDonald	Tunheim	
Erickson	Heinitz	Ogren	Uphus	

The bill was passed and its title agreed to.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Tomlinson requested immediate consideration of H. F. No. 1877.

### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Tomlinson moved that the rule therein be suspended and an urgency be declared so that H. F. No. 1877 be given its third reading and be placed upon its final passage. The motion prevailed.

Tomlinson moved that the rules of the House be so far suspended that H. F. No. 1877 be given its third reading and be placed upon its final passage. The motion prevailed.

H. F. No. 1877 was reported to the House.

Norton was excused for the remainder of today's session.

H. F. No. 1877, A bill for an act relating to enterprise zones; expanding the definition of areas eligible for designation as zones; limiting the designation of border city enterprise zones; clarifying the tax incentives available in enterprise zones; amending Minnesota Statutes 1983 Supplement, sections 273.1312, subdivisions 4 and 5; 273.1313, subdivisions 1 and 2; 273.1314, subdivisions 1, 6, 8, 9, 10, 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 102 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Knuth	Peterson	Simoneau
Anderson, G.	Elioff	Kostohryz	Piepho	Skoglund
Battaglia	Ellingson	Krueger	Piper	Solberg
Beard	Evans	Larsen	Price	Sparby
Begich	Findlay	Levi	Quinn	Stadum
Bennett	Forsythe	Long	Quist	Staten
Bergstrom	Greenfield	Mann	Redalen	Swanson
Bishop	Gruenes	Marsh	Reif	Thiede
Blatz	Gustafson	McEachern	Riveness	Tomlinson
Boo	Gutknecht	Minne	Rodosovich	Tunheim
Brandl	Heap	Munger	Rodriguez, C.	Valan
Brinkman	Heinitz	Murphy	Rodriguez, F.	Vellenga
Burger	Himle	Nelson, D.	Rose	Waltman
Carlson, L.	Hokr	Nelson, K.	St. Onge	Welch
Clark, J.	Jacobs	Neuenschwander	Sarna	Welle
Clark, K.	Jennings	O'Connor	Scheid	Wenzel
Clawson	Jensen	Ogren	Schreiber	Wigley
Cohen	Johnson	Olsen	Seaberg	Speaker Sieben
Coleman	Kalis	Onnen	Segal	
Dempsey	Kelly	Osthoff	Shaver	
Dimler	Knickerbocker	Pauly	Shea	

Those who voted in the negative were:

DenOuden	Frerichs	Omann	Uphus	Welker
Erickson	Ludeman	Schafer	Valento	Zaffke
Fjoslien	McDonald			

The bill was passed and its title agreed to.

Blatz was excused at 4:30 p.m.

### GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole with Sieben in the Chair for the consideration of bills pending on General Orders of the Day. Wynia presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. Nos. 950, 1503 and 1459 which it recommended to pass.

S. F. No. 1476 which it recommended to pass.

H. F. Nos. 735, 1557 and 1562 which it recommended progress.

S. F. No. 1350 which it recommended progress.

H. F. No. 1528 which it recommended to pass with the following amendments:

Offered by Tomlinson:

Page 57, line 13, after the period insert "*An individual who is not a Minnesota resident for any part of the year does not need to file a Minnesota income tax return if the individual's Minnesota gross income computed under section 290.06, subdivision 2c, clause (c)(1) is less than the filing requirements for an individual who is a full year resident of Minnesota with the same marital status and number of personal credits.*"

Offered by Schreiber:

Page 49, line 9, reinstate the stricken language

Page 65, line 33, after "state" insert "*for purposes of auditing corporate sales, excise, and income tax returns*"

Page 67, line 7, delete "*employees*" and insert "*employee*"

H. F. No. 1347 which it recommended to pass with the following amendment offered by Bishop and Dempsey:

Page 2, line 1, after the comma insert: "*and where the parent or step parent concealing the child has failed to notify the other parent, step parent, custodian or the local welfare agency of the child's location within 24 hours of the initial act of concealment,*"

Page 2, line 20, after the semicolon insert "*or*"

Page 2, line 27, delete "*;* *or*" insert a period

Page 2, delete lines 28 to 32

Page 3, delete lines 7 to 12

Renumber the remaining subdivisions and correct the internal cross references.

On the motion of Eken the report of the Committee of the Whole was adopted.

## ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Schreiber moved to amend H. F. No. 1528, the first engrossment, as amended, as follows:

Page 20, line 25, delete "*or trust*" and insert "*, trust, or an individual who is not a resident of Minnesota at any time during the year,*"

Page 20, line 29, reinstate the stricken "taxpayer's"

Page 20, line 30, delete the new language and reinstate the stricken language

Page 24, line 27, delete "*or trust*" and insert "*, trust, or an individual who is not a resident of Minnesota at any time during the year,*"

Page 30, line 20, delete "*not*" and after "*for*" insert "*a part of*"

Page 30, line 21, delete "*entire*"

Page 34, lines 30 to 34, reinstate the stricken language

Page 41, line 21, to page 43, line 5, delete section 18

Page 50, line 28, after "*individuals*" insert "*who*" and reinstate the stricken "*are*"

Page 50, line 29, reinstate the stricken language and after "*Minnesota*" insert "*for all or part of the year*"

Page 51, line 19, delete "*not a full*" and insert "*a part*"

Page 55, line 24, after "*individuals*" insert "*who are residents of Minnesota for all or part of the year*"

Page 55, lines 28 to 30, reinstate the stricken language and delete the new language

Page 56, line 17, to page 57, line 7, delete section 27

Page 64, delete lines 18 and 19 and insert "*Minnesota Statutes 1982, section 290.011 is repealed.*"

Page 64, line 21, delete "*36*" and insert "*34*"



Page 64, line 22, delete "19, 21 to 32, 35, and 37" and insert "18, 20 to 30, 33, and 35"

Page 64, line 24, delete "20" and insert "19"

Page 64, line 30, delete "33 and 34" and insert "31 and 32"

Renumber the remaining sections accordingly

Amend the title as follows:

Page 1, line 13, delete "290.311, subdivision 1;"

Page 1, line 23, delete "subdivisions 2 and" and insert "sub-division"

Page 1, delete line 35 and insert "1982, section 290.011;"

The question was taken on the Schreiber amendment and the roll was called. There were 58 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Evans	Jennings	Pauly	Thiede
Bennett	Findlay	Johnson	Piepho	Uphus
Bishop	Fjoslien	Knickerbocker	Quist	Valan
Blatz	Forsythe	Kvam	Redalen	Valento
Boo	Frerichs	Levi	Reif	Vellenga
Burger	Gruenes	Ludeman	Rodriguez, C.	Waltman
Carlson, D.	Gutknecht	Marsh	Rose	Welker
Cohen	Haukoos	McDonald	Schafer	Wenzel
Dempsey	Heap	McKasy	Schreiber	Wigley
DenOuden	Heinitz	Olsen	Seaberg	Zaffke
Dimler	Himle	Omann	Shaver	
Erickson	Hokr	Onnen	Svigum	

Those who voted in the negative were:

Anderson, B.	Coleman	Knuth	Osthoff	Segal
Anderson, G.	Eken	Kostohryz	Peterson	Simoneau
Battaglia	Elioff	Krueger	Piper	Skoglund
Bead	Ellingson	Larsen	Price	Solberg
Begich	Graba	Mann	Quinn	Sparby
Bergstrom	Greenfield	McEachern	Riveness	Staten
Brandl	Gustafson	Metzen	Rodosovich	Tomlinson
Brinkman	Hoffman	Minne	Rodriguez, F.	Tunheim
Carlson, L.	Jacobs	Murphy	St. Onge	Welch
Clark, J.	Jensen	Nelson, D.	Sarna	Welle
Clark, K.	Kalis	O'Connor	Scheid	Wynia
Clawson	Kelly	Ogren	Schoenfeld	Speaker Sieben

The motion did not prevail and the amendment was not adopted.

Kvam moved to amend H. F. No. 1528, the first engrossment, as amended, as follows:

Page 65, line 13, delete "\$5,000" and reinstate "\$500"

The question was taken on the Kvam amendment and the roll was called. There were 55 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Findlay	Hokr	Omann	Shaver
Bennett	Fjoslien	Jennings	Onnen	Sherman
Bishop	Forsythe	Johnson	Pauly	Swiggum
Blatz	Frerichs	Knickerbocker	Piepho	Thiede
Burger	Graba	Kvam	Quist	Uphus
Carlson, D.	Gruenes	Levi	Redalen	Valan
Dempsey	Cutknecht	Ludeman	Reif	Valento
DenOuden	Haukoos	Marsh	Rodriguez, C.	Waltman
Dimler	Heap	McDonald	Schafer	Welker
Erickson	Heinitz	McKasy	Schreiber	Wigley
Evans	Himle	Olsen	Seaberg	Zaffke

Those who voted in the negative were:

Anderson, G.	Elioff	Mann	Quinn	Staten
Battaglia	Ellingson	McEachern	Riveness	Swanson
Beard	Greenfield	Metzen	Rodosovich	Tomlinson
Begich	Gustafson	Minne	Rodriguez, F.	Tunheim
Bergstrom	Hoffman	Munger	St. Onge	Vellenga
Boo	Jacobs	Murphy	Sarna	Welch
Brandl	Jensen	Nelson, D.	Scheid	Welle
Brinkman	Kalis	Neuenschwander	Schoenfeld	Wenzel
Carlson, L.	Kelly	O'Connor	Segal	Wynia
Clark, J.	Knuth	Ogren	Shea	Speaker Sieben
Clark, K.	Kostohryz	Osthoff	Simoneau	
Clawson	Krueger	Peterson	Skoglund	
Coleman	Larsen	Piper	Solberg	
Eken	Long	Price	Sparby	

The motion did not prevail and the amendment was not adopted.

Heap moved to amend H. F. No. 1528, the first engrossment, as amended, as follows:

Page 30, delete lines 20 to 29

The question was taken on the Heap amendment and the roll was called. There were 47 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Kvam	Redalen	Uphus
Bennett	Frerichs	Levi	Reif	Valan
Boo	Graba	Ludeman	Rose	Valento
Burger	Gutknecht	McKasy	Schafer	Waltman
Cohen	Haukoos	Olsen	Schreiber	Welker
Dempsey	Heap	Omann	Seaberg	Wigley
Dimler	Heinitz	Onnen	Sherman	Zaffke
Erickson	Himle	Pauly	Stadum	
Evans	Hokr	Piepho	Swiggum	
Fjoslien	Johnson	Quist	Thiede	

Those who voted in the negative were:

Anderson, B.	Elioff	Long	Piper	Sparby
Anderson, G.	Ellingson	Mann	Price	Staten
Battaglia	Greenfield	McEachern	Quinn	Swanson
Beard	Gustafson	Metzen	Riveness	Tomlinson
Begich	Hoffman	Minne	Rodosovich	Vellenga
Brandl	Jacobs	Munger	Rodriguez, F.	Welch
Brinkman	Jensen	Murphy	St. Onge	Welle
Carlson, L.	Kalis	Nelson, D.	Sarna	Wenzel
Clark, J.	Kelly	Nelson, K.	Scheid	Speaker Sieben
Clark, K.	Knuth	O'Connor	Shea	
Clawson	Kostohryz	Ogren	Simoneau	
Coleman	Krueger	Osthoff	Skoglund	
Eken	Larsen	Peterson	Solberg	

The motion did not prevail and the amendment was not adopted.

Thiede moved to amend H. F. No. 1528, the first engrossment, as amended, as follows:

Page 30, line 20, delete "*for the*"

Page 30, line 21, delete "*entire year*" and insert "*but has earned income in Minnesota*"

The question was taken on the Thiede amendment and the roll was called. There were 45 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Bennett	Forsythe	Johnson	Olsen	Stadum
Bishop	Frerichs	Knickerbocker	Omann	Sviggum
Boo	Graba	Krueger	Omann	Thiede
Burger	Gutknecht	Kvam	Quist	Uphus
DenOuden	Haukoos	Levi	Reif	Valan
Erickson	Heap	Ludeman	Schafer	Valento
Evans	Heinitz	Marsh	Seaberg	Waltman
Findlay	Hokr	McDonald	Shaver	Walker
Fjoslien	Jennings	McKasy	Sherman	Wenzel

Those who voted in the negative were:

Anderson, G.	Cohen	Long	Peterson	Skoglund
Anderson, R.	Coleman	Mann	Piper	Solberg
Battaglia	Elioff	McEachern	Price	Sparby
Beard	Greenfield	Metzen	Quinn	Staten
Begich	Gustafson	Minne	Rodosovich	Swanson
Bergstrom	Hoffman	Munger	Rodriguez, C.	Tomlinson
Brandl	Jacobs	Murphy	Rodriguez, F.	Tunheim
Brinkman	Jensen	Nelson, D.	St. Onge	Vellenga
Carlson, L.	Kalis	Nelson, K.	Sarna	Welch
Clark, J.	Kelly	O'Connor	Scheid	Welle
Clark, K.	Kostohryz	Ogren	Schoenfeld	Wynia
Clawson	Larsen	Osthoff	Simoneau	Speaker Sieben

The motion did not prevail and the amendment was not adopted.

There being no objection the order of business reverted to Reports of Standing Committees.

## REPORTS OF STANDING COMMITTEES

Kostohyrz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1686, A bill for an act relating to dogs; authorizing persons to destroy certain dogs; declaring certain dogs to be public nuisances; changing certain procedures relating to dogs; requiring certain vaccinations; protecting guide dogs; imposing penalties; amending Minnesota Statutes 1982, sections 347.03; 347.04; 347.06; 347.11, subdivision 1; 347.14, subdivision 1; and 347.17; proposing new law coded in Minnesota Statutes, chapters 347 and 609; repealing Minnesota Statutes 1982, sections 347.05 and 347.07.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [347.24] [LEADER DOGS.]

*Subdivision 1. [DEFINITION.] For the purposes of this section, a “leader dog” means a dog specifically trained for the purpose of leading, guiding, or aiding the blind, visually handicapped, or hearing impaired.*

*Subd. 2. [PROHIBITIONS.] Leader dogs are permitted to go anywhere their owners deem necessary. No one may: (a) restrict a leader dog from aiding or traveling with its blind, visually handicapped, or hearing impaired partner; (b) willfully distract or attempt to distract a leader dog; (c) tease, chase, or harass a leader dog; (d) injure or attempt to injure or harm a leader dog; (e) willfully and maliciously maim, kill, or destroy a leader dog; or (f) willfully interfere with a leader dog in such a manner as to interfere with the performance of its duty or place its owner's life in danger.*

*Subd. 3. [LIABILITY; ACTIONS.] No action may be maintained against a leader dog which bites in the defense of its owner. The owner of a leader dog which has bitten a person is liable for damages prescribed by section 347.22. No leader dog may be separated from its owner for impound purposes, if the separation would cause undue hardship to the owner. No action may be maintained against any person for destroying a leader dog with distemper, rabies, or other diseases that pose a threat to the public health, safety, or welfare.*

*Subd. 4. [PENALTIES.] A person who violates subdivision 2, clause (e), is guilty of a gross misdemeanor. Other violations of this section are a misdemeanor."*

Delete the title and insert:

"A bill for an act relating to dogs; protecting leader dogs; imposing penalties; proposing new law coded in Minnesota Statutes 1982, chapter 347."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Riveness, Simoneau, Norton, Gutknecht and Sieben introduced:

H. F. No. 2263, A bill for an act relating to unemployment compensation; providing for an alternative method of determining credit weeks; raising the maximum contribution rate to eight percent except under certain circumstances; removing the contribution rate increase and decrease limitation; increasing an employer's experience ratio under certain circumstances; extending the emergency surcharge to repay interest on federal loans; tying the maximum weekly benefit amount to the balance in the unemployment compensation fund under certain circumstances; removing the limitation on the application of severance pay as it affects eligibility for benefits; changing certain conditions for requalifying for benefits; eliminating the split taxable wage base; amending Minnesota Statutes 1982, sections 268.04, subdivisions 24 and 30, and by adding a subdivision; 268.06, subdivision 8; 268.07, subdivision 2a; 268.071, subdivision 1; and 268.10, subdivision 1; Minnesota Statutes 1983 Supplement, sections 268.06, subdivision 3a; 268.061, subdivisions 1 and 3; 268.07, subdivision 2; 268.08, subdivisions 1 and 3; 268.09, subdivisions 1 and 2; and 268.10, subdivision 2; repealing Minnesota Statutes 1983 Supplement, section 268.06, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Norton introduced:

H. F. No. 2264, A bill for an act relating to state government; proposing an amendment to the Minnesota Constitution,

article IV, section 23; article V, sections 1, 3, and 4; article VII, section 8; article VIII, section 2; article XI, sections 6, 7, 8, and 10; and article XIII, section 11; combining the offices of state treasurer, state auditor, and secretary of state into the office of state comptroller; providing that the office of the secretary of state becomes the office of the state comptroller.

The bill was read for the first time and referred to the Committee on Governmental Operations.

#### PENDING POINT OF ORDER

The pending point of order relating to H. F. No. 2063 and raised by Skoglund earlier today pursuant to rule 5.8 was reported to the House. The Speaker ruled the Skoglund point of order not well taken.

H. F. No. 2063 was read for the second time.

#### MOTIONS AND RESOLUTIONS

Rice moved that H. F. No. 33 be recalled from the Committee on Appropriations and be re-referred to the Committee on Taxes. The motion prevailed.

Carlson, L., moved that H. F. No. 1764 be recalled from the Committee on Appropriations and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Sherman moved that his name be stricken as an author on H. F. No. 2. The motion prevailed.

Jennings moved that his name be stricken as an author on H. F. Nos. 10 and 17. The motion prevailed.

Piepho moved that his name be stricken as an author on H. F. No. 62. The motion prevailed.

Piepho moved that the name of Gustafson be added as an author on H. F. No. 322. The motion prevailed.

Jacobs moved that the name of Findlay be added as an author on H. F. No. 650. The motion prevailed.

Neuenschwander moved that his name be stricken as an author on H. F. No. 726. The motion prevailed.

Otis moved that the name of Price be added as an author on H. F. No. 1775. The motion prevailed.

Bergstrom moved that the names of Osthoff and McKasy be added as authors on H. F. No. 754. The motion prevailed.

Rodosovich moved that the name of Rodosovich be stricken and the name of Norton be added as chief author on H. F. No. 756. The motion prevailed.

Kelly moved that the names of Bishop and Piepho be added as authors on H. F. No. 1206. The motion prevailed.

Clark, J., moved that the name of Bishop be added as chief author on H. F. Nos. 1284 and 1285. The motion prevailed.

Brinkman moved that the name of Valan be added as an author on H. F. No. 1288. The motion prevailed.

Otis moved that the name of O'Connor be added as an author on H. F. No. 1499. The motion prevailed.

Clark, K., moved that the name of Coleman be added as an author on H. F. No. 1502. The motion prevailed.

Wenzel moved that the names of Vanasek, Gustafson, Staten and Bishop be added as authors on H. F. No. 1523. The motion prevailed.

Krueger moved that the name of Wenzel be added as an author on H. F. No. 1532. The motion prevailed.

Skoglund moved that the name of Shea be added as an author on H. F. No. 1545. The motion prevailed.

Shea moved that the name of Blatz be added as an author on H. F. No. 1606. The motion prevailed.

Minne moved that the name of Metzen be added as an author on H. F. No. 1618. The motion prevailed.

Anderson, R., moved that the name of Quinn be added as an author on H. F. No. 1619. The motion prevailed.

Solberg moved that the name of Bennett be added as an author on H. F. No. 1656. The motion prevailed.

Valento moved that the name of Ludeman be stricken and the name of McKasy be added as an author on H. F. No. 1710. The motion prevailed.

Clark, J., moved that the name of Coleman be added as an author on H. F. No. 1772. The motion prevailed.

Fjoslien moved that his name be stricken as an author on H. F. No. 1775. The motion prevailed.

Ogren moved that the names of Solberg and Neuenschwander be added as authors on H. F. No. 1834. The motion prevailed.

Schafer moved that the name of Findlay be added as an author on H. F. No. 1870. The motion prevailed.

Fjoslien moved that the name of Findlay be added as an author on H. F. No. 1955. The motion prevailed.

Kelly moved that the name of Bishop be added as chief author and the name of Kelly be shown as second author on H. F. No. 2002. The motion prevailed.

Dimler moved that the name of Tomlinson be added as an author on H. F. No. 2007. The motion prevailed.

Tomlinson moved that the names of Jennings, Sieben, Kelly and Osthoff be added as authors on H. F. No. 2016. The motion prevailed.

Wynia moved that the names of Greenfield and Munger be added as authors on H. F. No. 2021. The motion prevailed.

McKasy moved that the name of DenOuden be added as an author on H. F. No. 2026. The motion prevailed.

Staten moved that the name of Piper be added as an author on H. F. No. 2037. The motion prevailed.

Ogren moved that the name of Piepho be added as an author on H. F. No. 2042. The motion prevailed.

Greenfield moved that the name of Piper be added as an author on H. F. No. 2054. The motion prevailed.

Otis moved that the name of Piper be added as an author on H. F. No. 2078. The motion prevailed.

Riveness moved that the name of Vanasek be stricken as an author on H. F. No. 2084. The motion prevailed.

Swanson moved that the name of Kelly be added as an author on H. F. No. 2087. The motion prevailed.

Osthoff moved that the names of Levi, Knickerbocker and Greenfield be stricken as authors on H. F. No. 2089. The motion prevailed.



Clark, J., moved that the names of Coleman and Piper be added as authors on H. F. No. 2097. The motion prevailed.

Clawson moved that the names of Onnen and Kvam be added as authors on H. F. No. 2098. The motion prevailed.

Graba moved that the name of Krueger be added as an author on H. F. No. 2153. The motion prevailed.

Heap moved that the names of Levi and Olsen be added as authors on H. F. No. 2181. The motion prevailed.

Valan moved that the name of Olsen be added as an author on H. F. No. 2183. The motion prevailed.

Krueger moved that the name of Graba be added as an author on H. F. No. 2184. The motion prevailed.

Scheid moved that the name of Knickerbocker be added as an author on H. F. No. 2186. The motion prevailed.

Eken moved that the name of Evans be added as an author on H. F. No. 2188. The motion prevailed.

Wenzel moved that the names of Ogren, Erickson, Graba and McDonald be added as authors on H. F. No. 2192. The motion prevailed.

Sparby moved that the name of McDonald be added as an author on H. F. No. 2204. The motion prevailed.

Nelson, K., moved that the name of Levi be added as an author on H. F. No. 2252. The motion prevailed.

Clawson moved that the name of Staten be added as an author on H. F. No. 2245. The motion prevailed.

Riveness moved that the name of Clawson be added as chief author and the name of Price be stricken as an author on H. F. No. 1704. The motion prevailed.

Valan moved that H. F. No. 1372 be returned to its author. The motion prevailed.

Wenzel moved that H. F. No. 2114 be returned to its author. The motion prevailed.

Segal moved that H. F. No. 2228 be returned to its author. The motion prevailed.

Wenzel introduced :

House Resolution No. 23, A house resolution congratulating the Flyers girls basketball team from Little Falls High School for winning the 1984 Class AA Girls State High School Basketball Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

O'Connor introduced :

House Resolution No. 24, A house resolution condemning the Adolph Coors Brewery for its negative policies and practices.

The resolution was referred to the Committee on Regulated Industries.

Vanasek introduced :

House Resolution No. 25, A house resolution congratulating the Wildcats football team from LeCenter High School for winning the 1982 Class B State High School Football Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

Vanasek introduced :

House Resolution No. 26, A house resolution congratulating the girls gymnastics team from New Prague High School for winning the 1984 Class AA Girls State High School Gymnastics Championship.

The resolution was referred to the Committee on Rules and Legislative Administration.

Reif and Levi introduced :

House Resolution No. 27, A house resolution congratulating the Bears from White Bear Area Senior High School for winning the 1984 Class AA Boys State High School Basketball 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 2:00 p.m., Monday, April 2, 1984. 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, April 2, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SEVENTIETH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 2, 1984

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 Howard Gravrock, American Lutheran Church, Edina, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Erickson	Kostohryz	Pauly	Solberg
Anderson, G.	Evans	Krueger	Peterson	Sparby
Anderson, R.	Findlay	Kvam	Piepho	Stadum
Battaglia	Fjoslien	Larsen	Piper	Staten
Beard	Forsythe	Levi	Price	Sviggum
Begich	Frerichs	Long	Quinn	Swanson
Bennett	Graba	Ludeman	Quist	Thiede
Bergstrom	Greenfield	Mann	Redalen	Tomlinson
Bishop	Gruenes	Marsh	Reif	Tunheim
Blatz	Gustafson	McDonald	Rice	Uphas
Boo	Gutknecht	McEachern	Riveness	Valan
Brandl	Halberg	McKasy	Rodosovich	Valento
Brinkman	Haukoos	Metzen	Rodriguez, C.	<b>Vanasek</b>
Burger	Heap	Minne	Rodriguez, F.	Vellenga
Carlson, D.	Heinitz	Munger	Rose	Voss
Carlson, L.	Himle	Murphy	St. Onge	Waltman
Clark, J.	Hoffman	Nelson, D.	Sarna	Welch
Clark, K.	Hokr	Nelson, K.	Schafer	Welker
Clawson	Jacobs	Neuenschwander	Scheid	Welle
Cohen	Jennings	Norton	Schoenfeld	Wenzel
Coleman	Jensen	O'Connor	Schreiber	Wigley
Dempsey	Johnson	Ogren	Seaberg	Wynia
DenOuden	Kahn	Olsen	Segal	Zaffke
Dimler	Kalis	Omann	Shaver	Speaker Sieben
Eken	Kelly	Onnen	Sherman	
Elioff	Knickerbocker	Osthoff	Simoneau	
Ellingson	Knuth	Otis	Skoglund	

A quorum was present.

Hoberg and Shea were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Vanasek 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. 1418, 1445, 1446, 1507, 1550, 1606, 1658, 1706, 1774, 1878, 1911, 1912, 1918, 1936, 1998, 2180, 585, 1404, 1436, 1466, 1561, 1633, 1635, 1651, 1673, 1680, 1743, 1830, 1839, 1853, 1913, 1946, 1974, 2009, 1180, 1273, 1325, 1533, 1553, 1632, 1775, 1803, 1875, 1915, 1952, 1877, 2063, 1347 and 1528 and S. F. Nos. 1127, 1139, 1331, 1433, 1757 and 311 have been placed in the members' files.

S. F. No. 1757 and H. F. No. 1830, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Welch moved that the rules be so far suspended that S. F. No. 1757 be substituted for H. F. No. 1830 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1127 and H. F. No. 1153, 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. 1127 be substituted for H. F. No. 1153 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1139 and H. F. No. 1180, 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. 1139 be substituted for H. F. No. 1180 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 207, A bill for an act relating to game and fish; authorizing the use of dogs in taking bear; amending Minnesota Statutes 1982, section 100.29, subdivision 14.

Reported the same back with the following amendments :

Page 1, line 13, after "bear" insert "*under rules prescribed by the commissioner*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Voss from the Committee on Energy to which was referred :

H. F. No. 288, A bill for an act relating to energy; establishing a residential rental property weatherization disclosure program; requiring the filing of a certificate of compliance with minimum energy efficiency standards for renter-occupied residences; providing tenant enforcement of the standards; providing for the abatement of certain court actions; allowing a penalty in certain cases; appropriating money; amending Minnesota Statutes 1982, sections 116J.27, subdivision 3, and by adding a subdivision; and 116J.30, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert :

"Section 1. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

*Subd. 3a. [RESIDENTIAL RENTAL PROPERTY WEATHERIZATION COMPLIANCE PROGRAM.] (a) For purposes of this subdivision, "evaluator" means a person certified according to standards prescribed in subdivision 6 or pursuant to section 116J.31, a professional engineer or architect registered pursuant to sections 326.02 to 326.15, or a qualified person approved by the department.*

*(b) After January 1, 1985, and on or before January 1, 1986, the owner of a renter-occupied residence shall file with the commissioner a certificate of compliance with all applicable energy efficiency standards prescribed by subdivisions 1 and 3. The certificate shall be obtained from an evaluator following an inspection of the residence conducted after August 31, 1984, and recorded on a form provided by the commissioner. After inspection, if the evaluator determines that the energy efficiency standards prescribed by subdivisions 1 and 3 have been met, he or she shall issue and sign a certificate of compliance. The evaluator may charge a reasonable fee for inspecting the residence and issuing the certificate. No evaluator may inspect a residence and issue the certificate required by this subdivision if the evaluator has an ownership interest in the residence or is employed by any person having an ownership interest in the resi-*

dence. No evaluator may make energy efficiency improvements or profit directly or indirectly from the provision of energy efficiency improvements to a residence that he or she has inspected. The certificate for low-rent housing owned by a public housing authority or a housing and redevelopment authority as defined in section 462.421, subdivision 2, may be issued by an officer or employee of the authority or by an evaluator after completion of an energy audit as required by the United States department of housing and urban development pursuant to Code of Federal Regulations, title 24, sections 965.301 to 965.310, and completion of improvements necessary to bring the building into compliance with the requirements of subdivisions 1 and 3. The energy audit of low-rent housing may be conducted before September 1, 1984, but the certificate for low-rent housing shall indicate compliance with the standards to be in effect as of July 1, 1985. The commissioner shall adopt a form for the certificate. The commissioner shall maintain a file by street address of the certificates filed pursuant to this subdivision. The certificates shall be released to the public according to section 13.03. If a certificate is not on file for a residence, upon request of any person, the commissioner shall provide without charge a written statement that a certificate is not on file as of the date of execution of the statement. The statement is prima facie evidence in a court or administrative action of the facts it contains. The commissioner may charge a fee to owners, other than public housing authorities and housing and redevelopment authorities, who file certificates under this subdivision in an amount sufficient to defray the costs of administering the residential rental property weatherization compliance program. The commissioner may review whether a residence continues to meet the energy efficiency standards, and may revoke the certificate if the residence is not in compliance with the standards.

Sec. 2. Minnesota Statutes 1982, section 116J.27, subdivision 4, is amended to read:

Subd. 4. [INSPECTIONS.] The commissioner shall conduct inspections on a random basis for compliance with the provisions of subdivision 3. The commissioner (OF ENERGY, PLANNING AND DEVELOPMENT) may authorize a municipality, with its consent, to conduct the inspections within the municipality's jurisdiction, or to otherwise enforce the provisions of subdivision 3 or 3a. Any municipality which conducts an inspections or other enforcement program (IN CONJUNCTION WITH EXISTING CITY INSPECTION PROGRAMS) shall have authority under all subdivisions of section 116J.30 to enforce the provisions of (SUBDIVISION) subdivision 3 and 3a; provided that (50) 100 percent of the penalties (TO BE PAID TO THE STATE TREASURY) for violation of (SUBDIVISION) subdivision 3 or 3a shall be paid to the municipality.

Sec. 3. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

*Subd. 4a. [ENFORCEMENT AFTER INSPECTION.] If the commissioner determines, after an inspection conducted by or on behalf of the department, that a renter-occupied residence is not in compliance with the standards prescribed pursuant to subdivision 1, the commissioner may issue to the owner of the renter-occupied residence or the owner's agent a determination of non-compliance and may commence a contested case proceeding under sections 14.57 to 14.62. The determination shall (1) specify the reasons for the determination, (2) include a copy of the inspection report, (3) state the actions that must be taken to bring the residence into compliance with the standards, (4) state that if the residence is not brought into compliance with the standards within 90 days following the date of the determination, a contested case proceeding will be commenced, and (5) specify a fine that will be assessed upon the conclusion of the contested case proceeding in the absence of a showing of good cause in that proceeding. The contested case proceeding hearing shall be held in the county in which the renter-occupied residence is located. Notwithstanding the provisions of sections 14.50 and 14.61, the hearing examiner in the contested case proceeding shall make findings of fact and conclusions of law and issue a decision, and if the hearing examiner decides that the residence is not in compliance with the standards, the hearing examiner shall enter an order directing the owner to take such affirmative action as in the judgment of the hearing examiner will effectuate the purposes of section 116J.27.*

Sec. 4. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

*Subd. 4b. [ENFORCEMENT FOR FAILURE TO FILE CERTIFICATE.] If the commissioner determines that the certificate prescribed in subdivision 3a has not been filed for a renter-occupied residence, and if the residence is located in a municipality which has been authorized to conduct an enforcement program pursuant to subdivision 4, the commissioner may notify the municipality that the certificate has not been filed. If the renter-occupied residence is not located in a municipality that has been authorized to conduct an enforcement program, or if a municipality takes no enforcement action within 30 days following the date of notification from the commissioner, the commissioner may issue to the owner of the renter-occupied residence or the owner's agent a determination that the certificate has not been filed and may commence a contested case proceeding under sections 14.57 to 14.62. The determination shall state that if the certificate is not filed within 90 days following the date of the determination, a contested case proceeding may be commenced, and the determination shall specify the fine that will be assessed upon the conclusion of the contested case proceeding in the absence of a showing of good cause in that proceeding. Notwithstanding the provisions of sections 14.50 and 14.61, the hearing examiner in the contested case proceeding shall make findings of*



*fact and conclusions of law and issue a decision, and if the hearing examiner decides that the certificate has not been filed for the residence, the hearing examiner shall enter an order directing the owner to take such affirmative action as in the judgment of the hearing examiner will effectuate the purposes of section 116J.27.*

Sec. 5. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

*Subd. 4c. [FINES FOR NONCOMPLIANCE; EXCEPTION.] If the hearing examiner issues a decision, following a contested case proceeding commenced pursuant to subdivision 4a or 4b, that a renter-occupied residence is not in compliance with the standards prescribed pursuant to subdivision 1 or that the certificate prescribed in subdivision 3a has not been filed, and that the owner of the renter-occupied residence has not proven a good cause, as defined by rule or temporary rule adopted by the commissioner, for his failure to comply with the standards prescribed pursuant to subdivision 1 or his failure to file the certificate prescribed in subdivision 3a, the hearing examiner shall assess a fine against the owner in accordance with a schedule of fines adopted by the commissioner by rule or temporary rule. This subdivision shall not apply in the case of low-rent housing owned by a public housing authority or a housing and redevelopment authority as defined in section 462.421, subdivision 2.*

Sec. 6. Minnesota Statutes 1982, section 116J.27, is amended by adding a subdivision to read:

*Subd. 4d. [CIVIL DAMAGES IN CERTAIN ACTIONS.] A tenant who occupies or occupied, after July 1, 1986, property subject to subdivision 3 and who makes a claim in a civil action against the owner before the certificate required under subdivision 3a is filed, shall be entitled to recover \$500 from the owner, provided that if the owner demonstrates good cause for not having filed the certificate, the recovery may be in an amount less than \$500. For purposes of this subdivision, the term "owner" has the meaning given in section 566.18, subdivision 3.*

Sec. 7. Minnesota Statutes 1983 Supplement, section 116J.27, subdivision 6, is amended to read:

Subd. 6. [BUILDING EVALUATORS.] The commissioner shall certify evaluators in each county of the state who are qualified to determine the compliance of a residence with applicable energy efficiency standards. The commissioner shall, by rule pursuant to chapter 14, adopt standards for the certification and performance of evaluators and set a fee for the certification of evaluators which is sufficient to cover the ongoing costs of the program once it is established. The commissioner shall encourage

the certification of existing groups of trained municipal personnel and qualified individuals from community-based organizations and public service organizations. Each certified evaluator shall, on request of the owner, inspect any residence and report the degree to which it complies with applicable energy efficiency standards established pursuant to subdivision 1. The inspections shall be made within 30 days of the request. (EVALUATORS SHALL BE CERTIFIED ONLY IF THEY ALSO MEET ALL REQUIREMENTS FOR CONDUCTING RESIDENTIAL ENERGY AUDITS PURSUANT TO 42 U.S.C. 8211 ET SEQ.) The commissioner shall enter into an agreement with the department of education for the provision of evaluator training through the area vocational technical institutes. The commissioner may contract with the area vocational technical institutes to reduce the training costs to the students. The commissioner may eliminate the examination fee for persons seeking upgraded certificates. The commissioner may also establish requirements for continuing education, periodic recertification, and revocation of certification for evaluators.

Sec. 8. Minnesota Statutes 1982, section 116J.30, is amended by adding a subdivision to read:

*Subd. 4. For purposes of sections 504.18 and 566.18 to 566.33, the weatherstripping, caulking, storm window, and storm door energy efficiency standards for renter-occupied residences prescribed by section 116J.27, subdivisions 1 and 3, are health and safety standards, and the penalties and remedies provided in this section are in addition to and do not limit remedies otherwise available to tenants of renter-occupied residences.*

Sec. 9. Minnesota Statutes 1983 Supplement, section 290A.19, is amended to read:

**290A.19 [OWNER OR MANAGING AGENT TO FURNISH RENT CERTIFICATE; PENALTY.]**

(a) The owner or managing agent of any property for which rent is paid for occupancy as a homestead shall furnish a certificate of rent constituting property tax to each person who is a renter on December 31, in the form prescribed by the commissioner. If the renter moves prior to December 31, the owner or managing agent shall at his option either provide the certificate to the renter at the time he moves, or mail the certificate to the forwarding address if an address has been provided by the renter. The certificate shall be made available to the renter not later than January 31 of the year following the year in which the rent was paid. Any owner or managing agent who willfully fails to furnish a certificate as provided herein shall be liable to the commissioner for a penalty of \$20 for each act or failure to act. The penalty shall be assessed and collected in the manner provided in chapter 290 for the assessment and collection of income tax.

(b) If the owner or managing agent elects to provide the renter with the certificate at the time he moves, rather than after December 31, the amount of rent constituting property taxes shall be computed as follows:

(i) The net tax shall be reduced by 1/12th for each month remaining in the calendar year.

(ii) In calculating the denominator of the fraction pursuant to section 290A.03, subdivision 11, the gross rent paid through the last month of claimant's occupancy shall be substituted for "the gross rent paid for the calendar year for the property in which the unit is located."

(c) The certificate of rent constituting property taxes shall include the *name, address, and social security or taxpayer identification number of each owner*, address of the property, including the county, and the property tax parcel identification number and any additional information which the commissioner determines is appropriate.

(d) If the owner or managing agent fails to provide the renter with a certificate of rent constituting property taxes, the commissioner shall allocate the net tax on the building to the unit on a square footage basis or other appropriate basis as the commissioner determines. The renter shall supply the commissioner with a statement from the county treasurer which gives the amount of property tax on the parcel, the address and property tax parcel identification number of the property, and the number of units in the building.

(e) *Effective January 1, 1986, the commissioner shall provide to the commissioner of the department of energy and economic development a list of all owners of residential rental property identified on the certificates of rent constituting property taxes. The list shall be prepared on a form adopted by the commissioner of the department of energy and economic development, and shall be provided by June 1 of each year.*

Sec. 10. [116J.275] [EXCEPTIONS.]

*Sections 1 and 3 to 6 do not apply to farm property consisting of five or more acres containing one single family residence, to owner-occupied single family residences, to single family residences which are rented for a period not to exceed four months in any 12-month period, and to condominium units.*

Sec. 11. [APPROPRIATION.]

*There is appropriated from the general fund to the commissioner of the department of energy and economic development the sum of \$80,000 to carry out the purposes of this act. The*

*complement of the department of energy and economic development is increased by two in fiscal year 1985.*

Sec. 12. [EFFECTIVE DATE.]

*Sections 1 to 3, 5, 7, 10, and 12 are effective the day following final enactment. Sections 8, 9, and 11 are effective July 1, 1984. Section 4 is effective January 1, 1986. Section 6 is effective July 1, 1986."*

Delete the title and insert:

"A bill for an act relating to energy: establishing a residential rental property weatherization compliance program; requiring the filing of a certificate of compliance with minimum energy efficiency standards for renter-occupied residences; providing certain remedies for noncompliance; making other changes; appropriating money; amending Minnesota Statutes 1982, sections 116J.27, subdivision 4, and by adding subdivisions; and 116J.30, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 116J.27, subdivision 6; and 290A.19; proposing new law coded in Minnesota Statutes, chapter 116J."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 322, A bill for an act relating to cities; regulating the residence of city employees; proposing new law coded in Minnesota Statutes, chapter 418.

Reported the same back with the following amendments:

Page 1, delete lines 8 to 13 and insert:

*"An employee of a home rule charter or statutory city located outside the metropolitan area defined in section 473F.02, subdivision 2, may reside anywhere within ten miles of the territory of the city, provided that the employee resides within the state of Minnesota. This section supersedes any more restrictive provision of a home rule charter, ordinance, or other law, but a city may make a less restrictive provision for residence."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 427, A bill for an act relating to certain towns in Goodhue County; authorizing the town board to set the hours the polling places will be open in town elections.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 205.175, subdivision 2, is amended to read:

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) *a metropolitan county as defined by section 473.121*, 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.

Sec. 2. Minnesota Statutes 1983 Supplement, section 205.175, 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 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 *or changed because of request by voters as provided in this subdivision. If a petition requesting longer voting hours, signed by a number of voters equal to 20 percent of the votes cast at the last town election, is presented to the town clerk no later than 30 days prior to the town election, then the polling places for that election shall open at 10:00 a.m. and close at 8:00 p.m. The town clerk shall give ten days' notice of the changed voting hours and notify the county auditor of the change.*”

Delete the title and insert:

“A bill for an act relating to town elections; authorizing towns to set the hours for polling places; amending Minnesota Statutes 1983 Supplement, section 205.175, subdivisions 2 and 3.”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 600, A bill for an act relating to state income tax refunds; requiring proper notice before the state can collect debts by taking tax refunds; amending Minnesota Statutes 1982, section 270A.08, subdivisions 1 and 2.

Reported the same back with the following amendments:

Page 1, line 22, after "clearly" insert "*and with specificity*"

Page 1, line 23, after "refund" insert "*, including the name of the benefit program involved if the debt arises from a public assistance grant and the dates on which the debt was incurred,*"

Page 2, after line 9, insert:

"Sec. 3. Minnesota Statutes 1982, section 270A.04, subdivision 2, is amended to read:

Subd. 2. Any debt owed to a claimant agency shall be submitted by the agency for collection under the procedure established by sections 270A.01 to 270A.12 unless (a) an alternative means of collection is pending and believed to be adequate, (b) the collection attempt would result in a loss of federal funds, or (c) the agency is unable to supply the department with the necessary identifying information required by subdivision 3 or rules promulgated by the commissioner, or (d) the debt is barred by section 541.05."

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections 270A.04, subdivision 2; 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. 820, A bill for an act relating to recreational vehicles; requiring a three-year registration fee for three-wheel

off-road vehicles; requiring rules by the commissioner of natural resources; providing for local ordinances; requiring safety certificates of youthful operators; prescribing penalties; creating a three-wheel off-road vehicle account in the state treasury; appropriating funds; amending Minnesota Statutes 1982, section 84.90, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 84.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [84.92] [DEFINITIONS.]

*Subdivision 1. For the purposes of sections 1 to 9 the terms defined herein shall have the meaning given.*

*Subd. 2. "Commissioner" means the commissioner of natural resources acting directly or through his authorized agent.*

*Subd. 3. "Dealer" means a person, partnership, or corporation engaged in the business of selling three-wheel off-road vehicles at wholesale or retail.*

*Subd. 4. "Manufacturer" means a person, partnership, or corporation engaged in the business of manufacturing three-wheel off-road vehicles.*

*Subd. 5. "Owner" means a person, other than a lien holder, having the property in or title to a three-wheel off-road vehicle and entitled to the use or possession thereof.*

*Subd. 6. "Person" means an individual, partnership, corporation, the state and its agencies and subdivisions, and any body of persons, whether incorporated or not.*

*Subd. 7. "Register" means the act of assigning a registration number to a three-wheel off-road vehicle.*

*Subd. 8. "Three-wheel off-road vehicle" or "vehicle" means a motorized flotation-tired vehicle of not less than three low pressure tires, but not more than six tires, which is limited in engine displacement to not exceed 800 cubic centimeters and total dry weight to not exceed 600 pounds.*

Sec. 2. [84.922] [REGISTRATION.]

*Subdivision 1. [GENERAL REQUIREMENTS.] Except as hereinafter provided, no person shall after January 1, 1985, operate or transport any three-wheel off-road vehicle within the state unless the vehicle has been registered pursuant to this act, except three-wheel vehicles in transit by a manufacturer,*

*distributor, dealer, or vehicle exempted from registration under this section. No person shall sell a vehicle without furnishing the buyer a bill of sale on a form prescribed by the commissioner.*

**Subd. 2. [APPLICATION; ISSUANCE; REPORTS.]** *Application for registration or reregistration shall be made to the commissioner of natural resources, or the commissioner of public safety or an authorized deputy registrar of motor vehicles in such form as the commissioner shall prescribe, and shall state the name and address of every owner of the vehicle and be signed by at least one owner. Upon receipt of the application and the appropriate fee as hereinafter provided, such vehicle shall be registered and a registration number assigned which shall be affixed to the vehicle in such manner as the commissioner of natural resources shall prescribe. The commissioner shall use the existing snowmobile registration system to register vehicles under this section. Each deputy registrar of motor vehicles acting pursuant to section 168.33, shall also be a deputy registrar of vehicles. The commissioner of natural resources in agreement with the commissioner of public safety may prescribe the accounting and procedural requirements necessary to assure efficient handling of registrations and registration fees. Deputy registrars shall strictly comply with the accounting and procedural requirements. A fee of \$3 in addition to that otherwise prescribed by law shall be charged for each vehicle registered by a deputy registrar, and shall be deposited in the treasury of the place for which he is appointed, or retained if the deputy is not a public official.*

**Subd. 3. [REGISTRATION CARD.]** *The commissioner shall provide to the registrant a suitable registration card having the registration number stamped thereon and indicating the date of registration, the make and serial number of the vehicle, the owner's name and address, and any additional information as the commissioner may require. Information concerning each registration shall be retained by the commissioner. Upon a satisfactory showing that the registration card has been lost or destroyed the commissioner shall issue a replacement registration card upon payment of a fee of \$4. All fees so collected shall be deposited in the general fund.*

**Subd. 4. [REPORT OF TRANSFERS.]** *Every person who sells or transfers ownership of any vehicle registered pursuant to this act shall report the sale or transfer to the commissioner. Transfer of ownership shall be made to the commissioner within 15 days of the date of transfer. An application for transfer is to be executed by the registered owner and the purchaser on a form prescribed by the commissioner together with the owner's registration certificate, a bill of sale, and a \$4 fee.*

**Subd. 5. [FEES FOR REGISTRATION.]** *The fee for registration of each vehicle pursuant to this act shall be \$15 for three years and \$4 for a duplicate or transfer. The commissioner*



and commissioner of public safety may charge and retain an additional \$3 registration granted for their services, which is to be placed in the general fund.

*Subd. 6. [RENEWAL.] Every owner of a three-wheel vehicle shall renew his registration in such manner as the commissioner shall prescribe, upon payment of the same registration fees in subdivision 5.*

*Subd. 7. [VEHICLES OWNED BY STATE OR POLITICAL SUBDIVISION.] A registration number shall be issued without the payment of a fee for three-wheel vehicles owned by the state of Minnesota or a political subdivision thereof upon application therefor.*

*Subd. 8. [EXEMPTIONS.] No registration shall be required for the following three-wheel off-road vehicles:*

- (1) vehicles used exclusively for work on agricultural lands;*
- (2) vehicles owned and used by the United States, another state, or a political subdivision;*
- (3) vehicles registered in a country other than the United States temporarily used within this state;*
- (4) vehicles covered by a valid license of another state and which have not been within this state for more than 30 consecutive days;*
- (5) vehicles used exclusively in organized track racing events.*

**Sec. 3. [84.923] [REQUIREMENTS OF MAKERS OF THREE-WHEEL OFF-ROAD VEHICLES.]**

*Subdivision 1. [IDENTIFICATION NUMBER.] All vehicles made after January 1, 1985, and sold in Minnesota, shall bear the manufacturer's permanent identification number stamped in letters and numbers in the form and at a location prescribed by the commissioner.*

*Subd. 2. [REGISTRATION NUMBER.] All vehicles made after January 1, 1985, and sold in Minnesota, shall be designed and made to provide an area on which to affix the registration number. This area shall be at a location and of dimensions prescribed by the commissioner.*

**Sec. 4. [84.924] [SAFETY EDUCATION AND TRAINING PROGRAM.]**

*Subdivision 1. [PROGRAM ESTABLISHED.] The commissioner shall establish a comprehensive three-wheel off-road vehicle environmental and safety education and training program, including the preparation and dissemination of vehicle information and safety advice to the public, the training of three-wheel off-road vehicle operators, and the issuance of three-wheel off-road vehicle safety certificates to vehicle operators over the age of 12 years who successfully complete the three-wheel off-road vehicle environmental and safety education and training course. For the purpose of administering the program and to defray a portion of the expenses of training and certifying vehicle operators, the commissioner shall collect a fee of not to exceed \$5 from each person who receives the training and shall deposit the fee in the general fund. The amount thereof is appropriated annually to the commissioner of natural resources for the administration of the program. 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 section. 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 vehicle operators.*

*Subd. 2. [YOUTHFUL OPERATORS.] No person under the age of 14 years shall operate a three-wheel off-road vehicle on any public land or water under the jurisdiction of the commissioner unless accompanied by one of the following persons on the same or an accompanying three-wheel off-road vehicle or on a device towed by the same or an accompanying three-wheel off-road vehicle: his parent, legal guardian, or other person 18 years of age or older. However, a person 12 years of age or older may operate a three-wheel off-road vehicle on public lands and waters under the jurisdiction of the commissioner if he has in his immediate possession a valid three-wheel off-road vehicle safety certificate issued by the commissioner. No person under the age of 16 years may operate a vehicle on public lands and waters under the jurisdiction of the commissioner unless he is wearing protective headgear that complies with standards of the commissioner of public safety.*

*It is unlawful for the owner of a three-wheel off-road vehicle to permit the vehicle to be operated contrary to the provisions of this section.*

**Sec. 5. [84.925] [VEHICLE USE ON TRAILS OF THE COMMISSIONER.]**

*On a case by case basis, the commissioner may allow vehicles on trails under his jurisdiction during specific seasons of the year.*

**Sec. 6. [84.926] [DIRECTORY AND INVENTORY OF USE AREAS.]**

*Subdivision 1. [METROPOLITAN DIRECTORY.] The commissioner, in cooperation and after consultation with the metropolitan council and local units of government within the seven county metropolitan area, shall inventory the potential public and private sites in the metropolitan area that can be used for three-wheel off-road vehicle use areas. By January 1, 1985, the commissioner shall publish a directory, in multiple copies for use by the public, of public sites in the metropolitan areas for vehicle use areas.*

*Subd. 2. [STATE INVENTORY OF MINING AREAS.] The commissioner, in cooperation with the iron range resources and rehabilitation board, shall inventory abandoned mining areas around the state and assess their potential for vehicle use areas. The commissioner shall report to the appropriate standing committees of the legislature before the 1986 session on what abandoned mining areas could be utilized for vehicle use and what problems could incur in their utilization.*

Sec. 7. [84.927] [DISPOSITION OF RECEIPTS.]

*Subdivision 1. [REGISTRATION REVENUE.] Fees from the registration of three-wheel off-road vehicles and the unre-fund-ed gasoline tax attributable to vehicle use pursuant to section 296.16 shall be deposited in the state treasury and credited to the general fund.*

*Subd. 2. [DETERMINATION OF TAX ALLOCATION.] The commissioner, along with the commissioners of revenue and transportation, shall jointly determine the amount of unre-fund-ed gasoline tax attributable to vehicle use in this state and shall report to the legislature by January 1, 1985, with a proposed revision of section 296.16 to reflect the results of this use.*

*Subd. 3. [PURPOSES.] The money deposited from the registration fees may be expended only as appropriated by law for the following purposes:*

*(1) for the vehicle information and safety education and training program under section 4;*

*(2) for administration of this act; and*

*(3) for acquisition and development of use areas.*

*By January 1, 1986, the commissioner shall report to the standing committees of each house of the legislature with jurisdiction over natural resources or appropriation matters on the number of vehicles registered pursuant to this act, the implementation of the vehicle information and safety education and training program, and the growth patterns of vehicle use in the state.*

## Sec. 8. [APPROPRIATIONS.]

*There is appropriated from the general revenue fund for fiscal year 1985, the following money for carrying out the provisions of this act:*

- (1) *survey and inventory, \$ . . . . .;*
- (2) *gas tax study, \$ . . . . .;*
- (3) *safety training and education, \$ . . . . .;*
- (4) *registration, \$ . . . . .*

## Sec. 9. [PENALTIES.]

*Any person who violates any provision of this act is guilty of a misdemeanor.*

## Sec. 10. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to recreational vehicles; requiring a three-year registration fee for three-wheel off-road vehicles; requiring safety certificates of youthful operators; prescribing penalties; appropriating funds; proposing new law coded in Minnesota Statutes, chapter 84."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1264, A bill for an act relating to commerce; regulating pipefitters and pipefitting; regulating pressure vessels; amending Minnesota Statutes 1982, sections 326.46; 326.47; 326.48; and 326.50; proposing new law coded in Minnesota Statutes, chapters 175 and 326; repealing Minnesota Statutes 1982, section 326.49.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1315, A bill for an act relating to bicycles; allowing bicycle registrants to donate in excess of the registration fee to pay for costs of administering and publicizing the bicycle registration program and for developing bicycle education programs and recreational facilities and trails; providing criteria for fund allocation to political subdivisions; providing for reports to the legislature; providing for appointment of deputy registrars of bicycles; continuing the bicycle study review commission; amending Minnesota Statutes 1982, sections 168C.04; 168C.11; Laws 1976, chapter 199, section 14, subdivision 1.

Reported the same back with the following amendments:

Page 3, line 25, after "commissioner" insert "*of transportation*"

Page 3, line 29, strike "highways" and insert "*public safety*"

Page 4, line 7, delete "*bicycle study*"

Page 4, line 8, delete "*review committee*" and insert "*advisory committee on bicycling*"

Page 4, line 9, after "*function*" insert "*under that name*"

Page 4, line 10, delete "*state agencies*" and insert "*the commissioners of transportation and public safety*"

Page 4, after line 11, insert:

"Sec. 4. [APPROPRIATIONS.]

*Subdivision 1. [BICYCLE COORDINATION.] There is appropriated from the general fund to the commissioner of transportation the sum of \$ . . . for the creation and support of a state bicycle coordinator's office in the program management division. This appropriation is available until June 30, 1985.*

*Subd. 2. [COMMUNITY BICYCLE SAFETY PROGRAMS.] There is appropriated from the general fund to the commissioner of public safety the sum of \$ . . . for the support and coordination of community bicycle safety programs. This appropriation is available until June 30, 1985, provided that it may be expended by the commissioner only if insufficient federal funds are available to him for this purpose."*

Renumber subsequent section

Amend the title as follows:

Page 1, line 11, after "commission" insert "as the advisory committee on bikeways and bikeway safety"

Page 1, line 11, before "amending" insert "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.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1338, A bill for an act relating to elections; clarifying certain provisions relating to voting machines; amending Minnesota Statutes 1982, sections 123.32, subdivision 7; 204C.24, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 206; repealing Minnesota Statutes 1982, sections 206.01 to 206.23.

Reported the same back with the following amendments:

Page 4, line 19, delete "COMMITTEE" and insert "TASK FORCE"

Page 4, line 20, delete "committee" and insert "task force"

Page 4, after line 21, insert:

*"The task force expires and the terms, compensation, and removal of members are as provided in section 15.059."*

Page 4, line 28, after the period insert:

*"If a machine is designed in a way that does not allow voting on all candidates and issues pursuant to this chapter, the machines may be used to the extent compliance with this chapter is possible and paper ballots complying with election laws shall be used for all other offices and issues."*

Page 7, line 10, delete everything after the period

Page 7, delete lines 11 to 14

Page 14, line 20, delete "21" and insert "30"

Page 22, delete lines 14 to 29 and insert "*machines shall remain locked against use until all automatic recounts have been verified by the appropriate election office and the time for filing a contest of election has passed. When a contest of election has been filed, the voting machines shall remain locked until the voting machine count has been verified in accordance with the orders of the appropriate court.*"

Page 32, line 5, delete "1982" and insert "1983 Supplement"

Page 32, delete lines 7 to 32 and insert:

"Subdivision 1. [INFORMATION REQUIREMENTS.] (NOTWITHSTANDING THE PROVISIONS OF SECTIONS 206.185, SUBDIVISION 5; AND 206.21, SUBDIVISIONS 1 AND 2.) Precinct summary statements shall be submitted by the election judges in every precinct. The election judges shall complete three or more copies of the summary statements, and each copy shall contain the following information for each kind of ballot:

(a) the number of votes each candidate received or the number of yes and no votes on each question, the number of partially blank ballots and the number of partially defective ballots with respect to each office or question;

(b) the number of totally blank ballots, the number of totally defective ballots, the number of spoiled ballots, and the number of unused ballots;

(c) the number of individuals who voted at the election in the precinct;

(d) in counties with permanent registration, the number of voters registered before the polling place opened and the number of voters registering on election day in that precinct; and

(e) the signatures of the election judges who counted the ballots certifying that all of the ballots cast were properly piled, checked, and counted; and that the numbers entered by the election judges on the summary statements correctly show the number of votes cast for each candidate and for and against each question."

Page 32, line 35, after "206.08" insert "*, subdivisions 1, 2, and 4*"

Page 32, line 36, delete "206.09;" and "206.11;"

Page 33, line 1, after "206.19" insert "*, subdivisions 2 and 3*" and after "206.21" insert "*, subdivisions 1, 2, 4, and 5*"

Page 33, line 2, after "206.23" insert "; Minnesota Statutes 1983 Supplement, sections 206.08, subdivision 3; 206.09; 206.11; 206.19, subdivision 1; and 206.21, subdivision 3"

Page 33, after line 2, insert:

"Sec. 33. [EFFECTIVE DATE.]

*This act is effective January 1, 1985."*

Amend the title as follows:

Page 1, line 4, delete "sections" and insert "section" and after the semicolon insert "and Minnesota Statutes 1983 Supplement, section"

Page 1, line 7, after "206.23" insert "; and Minnesota Statutes 1983 Supplement, sections 206.08, subdivision 3; 206.09; 206.11; 206.19, subdivision 1; and 206.21, subdivision 3"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Brinkman from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1352, A bill for an act relating to financial institutions; allowing banks and trust companies to establish trust service offices at the location of other banks; proposing new law coded in Minnesota Statutes, chapter 48.

Reported the same back with the following amendments:

Page 1, line 12, delete "*with the*"

Page 1, line 13, delete "*approval of the commissioner*" and insert "*after completing the notification procedure required by this subdivision*"

Page 1, line 15, delete "*with the approval of the*"

Page 1, line 16, delete "*commissioner*" and insert "*after completing the notification procedure required by this subdivision*"

Page 1, after line 21, insert:

*"Any trust company or state bank permitted to exercise trust powers and a state bank at which a trust service office is to be*



*established pursuant to this act shall jointly file a notification of intent to establish a trust service office on forms provided by the commissioner. The notification shall be accompanied by a filing fee of \$100 payable to the commissioner to be deposited in the general fund of the state. No trust service office shall be established pursuant to this act if disallowed by order of the commissioner within 45 days of the filing of a complete and acceptable notification of intent to establish a trust service office. Any proceedings for judicial review of an order of the commissioner to disallow the establishment of a trust service office under this act shall be conducted pursuant to the provisions of the Administrative Procedure Act relating to judicial review of agency decisions, sections 14.63 to 14.69, and the scope of judicial review in such proceedings shall be as provided therein."*

Page 2, line 13, before the period, insert "*, and if there is no such newspaper, then at the county seat of the county in which the trust service office is to be located. The notice shall be published once and proof of publication shall be filed with the commissioner immediately after publication of the notice of filing*"

Page 3, after line 9, insert:

*"Subd. 4. [SUPERVISION.] Every trust company or state bank permitted to exercise trust powers establishing and operating one or more trust service offices pursuant to this act shall at all times maintain records acceptable to the commissioner regarding transactions originating at such trust service offices and available at its principal office for examination pursuant to sections 46.04 and 46.05."*

Page 3, lines 19 and 34, delete "4" and insert "4"

Page 4, line 1, delete "4" and insert "5"

Renumber the subdivisions in sequence

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. 1371, A bill for an act relating to state government; providing for a day care center for state employees in the capitol complex; amending Minnesota Statutes 1982, section 16.02, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1393, A bill for an act relating to education; modifying certain erroneous and ambiguous education aid and levy provisions; amending Minnesota Statutes 1983 Supplement, sections 121.904, subdivision 4a; 124.195, subdivision 9; 124.201, subdivision 4; 124.2138, subdivision 1; 275.125, subdivisions 2e, 8, 8a, 9b; Laws 1983, chapter 314, article 6, section 34, subdivision 12, and article 9, section 14, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### FOUNDATION AID

Section 1. Minnesota Statutes 1983 Supplement, section 121.904, subdivision 4a, is amended to read:

Subd. 4a. [LEVY RECOGNITION.] (a) "School district tax settlement revenue" means the current, delinquent, and manufactured 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 124.155, subdivision 2 which are for the fiscal year payable in that fiscal year *plus 32 percent of the amount of the levy certified in the prior calendar year according to section 275.125, subdivision 2d, plus or minus auditor's adjustments, not including levy portions that are assumed by the state; or*

(3) thirty-two percent of the amount of the levy certified in the prior calendar year, plus or minus auditor's adjustments, not including levy portions that are assumed by the state, 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;

(iv) amounts levied for bonds issued and interest thereon, amounts levied for debt service loans and capital loans, and amounts levied pursuant to section 275.125, subdivision 14a.

(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. 2. [121.905] [LEVY RECOGNITION PERCENTAGE.]

*If forecasts of general fund revenues and expenditures prepared by the commissioner of finance pursuant to chapter 16A as of November 30, 1984, indicate a projected general fund balance for the biennium ending June 30, 1985, in excess of \$8,000,000, the levy recognition percentage specified in section 121.904, subdivision 4a, clauses (b)(2) and (b)(3), shall be reduced for taxes payable in 1985 and thereafter according to the provisions of this section. The levy recognition percentage factor shall equal the result of the following computation:*

(1) 32 percent, times

(2) the ratio of

(a) the statewide total amount of the levy recognized in June pursuant to section 121.904, subdivision 4a, clause (b), reduced by the amount of the general fund balance in excess of \$0, to

(b) the statewide total amount of the levy recognized in June pursuant to section 121.904, subdivision 4a, clause (b),

(3) rounded up to the nearest whole percent.

*However, in no case shall the levy recognition percentage be reduced below 20 percent. The levy recognition percentage shall not be increased under the provisions of this section.*

*The commissioner of finance shall certify to the commissioner of education the levy recognition percentage computed under this section by December 5, 1984. The commissioner of education shall notify school districts of any change by December 31, 1984.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 124.155, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF ADJUSTMENT.] Beginning with fiscal year 1984 and each year thereafter, state aids and credits enumerated in subdivision 2 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 121.904, subdivision 4a, clause (b), (AS AMENDED BY LAWS 1982, THIRD SPECIAL SESSION CHAPTER 1, ARTICLE 3, SECTION 1;) minus (2) the amount the district recognizes as revenue for the current fiscal year pursuant to section 121.904, subdivision 4a, clause (b) (, AS AMENDED BY LAWS 1982, THIRD SPECIAL SESSION CHAPTER 1, ARTICLE 3, SECTION 1). *For the purposes of making the aid adjustment under this subdivision, the amount the district recognizes as revenue for either the prior fiscal year or the current fiscal year pursuant to section 121.904, subdivision 4a, clause (b), shall be reduced by any amount levied pursuant to section 275.125, subdivision 2d.* 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. 4. Minnesota Statutes 1982, section 124.19, is amended by adding a subdivision to read:

Subd. 6. [INSTRUCTIONAL HOURS.] *To be eligible for full entitlement of foundation aid, a district must provide to students the minimum number of instructional hours per day prescribed in the rules of the state board, except as provided for in subdivision 5 of this section. Part of the school day may be provided in employment-related or community-based instruction, but only within a program which receives annual approval by the local district board, is in compliance with state board rules, and is on file with the commissioner of education. The information on the employment-related or community-based instruction submitted to the commissioner shall contain at least an estimate of the number of students involved, a description of the alternative instruction, and the percentage of the students' instructional year involved.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 124.2122, is amended to read:

**124.2122 [BASIC FOUNDATION AID.]**

Subdivision 1. [FORMULA ALLOWANCE.] "Foundation aid formula allowance" or "formula allowance" means the amount of revenue per pupil unit used in the computation of foundation aid for a particular school year and in the computation of permissible levies for use in that school year. (THE FORMULA ALLOWANCE SHALL BE \$1.346 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. The formula allowance shall be \$1,475 for the 1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. *The formula allowance shall be \$1,550 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.*

Subd. 2. [BASIC MAINTENANCE MILL RATE.] "Basic maintenance mill rate" means the mill rate applicable to the adjusted assessed valuation of a district, used in the computation of basic foundation aid for a particular school year and of the basic maintenance levy for use in that school year. (THE BASIC MAINTENANCE MILL RATE SHALL BE .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. The basic maintenance mill rate shall be .024 for the 1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. *The basic maintenance mill rate shall be .023 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.*

Subd. 3. [BASIC FOUNDATION REVENUE.] A district's basic foundation revenue for each school year shall equal the formula allowance times its total pupil units for that school year.

Subd. 4. [BASIC FOUNDATION AID.] A district's basic foundation aid for each school year shall equal its basic foundation revenue for that school year, minus the basic maintenance mill rate times the applicable adjusted assessed valuation of the district.

Sec. 6. Minnesota Statutes 1983 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;

(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;

(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;)

((8)) The amount by which property taxes of the district for use in that school year are reduced by the state reimbursed disaster or emergency reassessment provisions in section 273.123; and

((9)) (8) The amount by which property taxes of the district for use in that school year are reduced by the metropolitan agricultural preserve provisions in section 473H.10.

Sec. 7. Minnesota Statutes 1983 Supplement, section 124.2138, is amended to read:

124.2138 [REVENUE EQUITY AID SUBTRACTION.]

Subdivision 1. [BASIC MAINTENANCE LEVY EQUITY.]  
(1) (IN ANY YEAR WHEN) *If the amount of the maximum levy limitation under section 275.125, subdivision 2a, for fiscal year 1985 for any district, or for fiscal year 1986 or after for a nonagricultural district (UNDER SECTION 275.125, SUBDIVISION 2A,) exceeds the district's basic foundation revenue for the corresponding fiscal year, an amount shall be deducted as provided in this subdivision from special state aids of chapter 124 receivable for the same fiscal year, and from state payments*

on behalf of the district for the same fiscal year authorized in sections 354.43, subdivision 1; 354A.12, subdivision 2; and 355.46, subdivision 3, clause (b). However, the aid authorized in sections 124.2137 and 124.646 shall not be reduced.

(2) The amount of the deduction shall equal the difference between:

(a) the sum of the amount of the district's maximum levy limitation under section 275.125, subdivision 2a, plus the amount of any reductions to that levy limitation pursuant to section 275.125, (SUBDIVISIONS) *subdivision 2e, clause (1)(b), and subdivision 9, and*

(b) the district's basic foundation revenue.

However, for fiscal year 1985, the amount of the deduction shall be one-sixth of the difference between clauses (a) and (b); for fiscal year 1986, the amount of the deduction shall be one-third of the difference between clauses (a) and (b); for fiscal year 1987, the amount of the deduction shall be one-half of the difference between clauses (a) and (b); for fiscal year 1988, the amount shall be two-thirds of the difference between clauses (a) and (b); and for fiscal year 1989, the amount of the deduction shall be five-sixths of the difference between clauses (a) and (b).

Subd. 2. [TRANSPORTATION LEVY EQUITY.] (1) (IN ANY FISCAL YEAR IN WHICH) *If the transportation levy for fiscal year 1985 in any district, or for fiscal year 1986 and thereafter in a nonagricultural district (ATTRIBUTABLE TO THAT FISCAL YEAR), of 1.75 mills times the adjusted assessed valuation of the district exceeds the transportation aid computation under section 124.225, subdivisions 3b, 8i, 8j, and 8k, an amount shall be deducted as provided in this subdivision from special state aids of chapter 124 receivable for the same fiscal year, and from state payments on behalf of the district for the same fiscal year authorized in sections 354.43, subdivision 1; 354A.12, subdivision 2; and 355.46, subdivision 3, clause (b), to the extent that those special state aids and state payments have not been reduced pursuant to subdivision 1 of this section. However, aid authorized in sections 124.2137 and 124.646 shall not be reduced.*

(2) The amount of the deduction shall equal the difference between:

(a) 1.75 mills times the adjusted assessed valuation of the district for the levy attributable to that fiscal year, and

(b) the sum of the district's transportation aid computation pursuant to section 124.225, subdivisions 8b, 8i, 8j, and 8k, less

the amount of any aid reduction due to an insufficient appropriation as provided in section 124.225, subdivision 8a.

However, for fiscal year 1985, the amount of the deduction shall be one-sixth of the difference between clauses (a) and (b); for fiscal year 1986, the amount of the deduction shall be one-third of the difference between clauses (a) and (b); for fiscal year 1987, the amount of the deduction shall be one-half of the difference between clauses (a) and (b); for fiscal year 1988, the amount of the deduction shall be two-thirds of the difference between clauses (a) and (b); and for fiscal year 1989, the amount of the deduction shall be five-sixths of the difference between clauses (a) and (b).

Subd. 3. In any fiscal year in which the state payments on behalf of a district authorized in sections 354.43, subdivision 1; 354A.12, subdivision 2; and 355.46, subdivision 3, clause (b), are reduced under this section, the commissioner of education shall certify the amounts of the required reductions to the district. The district shall pay employer contributions in the amount of the reduction of these payments to the commissioner, which amount shall be placed in the general fund.

*Subd. 4. [NONAGRICULTURAL DISTRICT DEFINED.] For the purposes of this section, nonagricultural district means a district where the assessed valuation of agricultural land identified in section 273.13, subdivisions 4, 6 and 6a, comprises less than 60 percent of the assessed valuation of the district.*

Sec. 8. Minnesota Statutes 1982, section 124.214, subdivision 1, is amended to read:

Subdivision 1. [OMISSIONS.] No adjustments to any aid payments made pursuant to this chapter, resulting from omissions in school district reports, except those adjustments determined by the legislative auditor, shall be made for any school year after December (15) 30 of the next school year, unless otherwise specifically provided by law.

Sec. 9. Minnesota Statutes 1983 Supplement, section 124A.06, subdivision 1, is amended to read:

Subdivision 1. [COST DIFFERENTIAL TIER ALLOWANCE.] "Cost differential tier allowance" means the amount of revenue per actual pupil unit used to compute the cost differential tier aid for a school year and levy for use in the same school year. A district's cost differential tier allowance shall be the result of the following computation:

(a) Divide the amount of aid the district would have received for the 1980-1981 school year if Minnesota Statutes, 1979 Supplement, section 124.224, as amended by section 124.2124, subdivi-



sion 1, had been effective for the 1980-1981 school year by the actual pupil units in the district in the 1980-1981 school year, and multiply the result by two.

(b) Divide the formula allowance for the school year by \$1265.

(c) Multiply the result in clause (a) by the result in clause (b).

(d) Subtract 1.25 from the training and experience index, and multiply the difference by (\$300) \$400.

(e) Select the greater of the result in clause (d) or zero.

(f) Add the results of clauses (c) and (e).

Sec. 10. Minnesota Statutes 1983 Supplement, section 124A.-12, subdivision 1, is amended to read:

Subdivision 1. [FOURTH TIER ALLOWANCE.] "Fourth tier allowance" means the amount of revenue per actual pupil unit used to compute the fourth tier aid for a particular school year and the corresponding levy for that school year. The fourth tier allowance is (\$100) *the result of the following computation:*

(a) Subtract 1.25 from the training and experience index, and multiply the difference by \$300.

(b) Add \$100 to the result of clause (a).

Sec. 11. Minnesota Statutes 1983 Supplement, section 124A.-14, subdivision 1, is amended to read:

Subdivision 1. [FIFTH TIER ALLOWANCE.] "Fifth tier allowance" means the amount of revenue per actual pupil unit used to compute the fifth tier aid for a particular school year and the corresponding levy for that school year. The fifth tier allowance shall equal the result of the following computation:

(a) Determine the revenue the district would have received for the 1984-1985 school year from grandfather revenue, replacement revenue, and low fund balance revenue, if the provisions of Minnesota Statutes 1982, sections 124.2123, 124.2124, and 124.2128 had been effective for the 1984-1985 school year.

(b) Determine the discretionary revenue the district would have received for the 1984-1985 school year if the provisions of Minnesota Statutes 1982, section 124.2125 had been effective for the 1984-1985 school year. Assume the district had been entitled

to and had levied the maximum allowable under section 275.125, subdivision 7a, and no aid or levy reductions were made according to section 275.125, subdivision 7c.

(c) Determine the amount of revenue equal to \$25 times the total pupil units in the 1984-1985 school year.

(d) Add the results in clauses (a), (b), and (c).

(e) Determine the estimated revenue the district would receive for the 1984-1985 school year from the first to fourth tier revenue for the 1984-1985 school year *if sections 124A.06, subdivision 1, and 124A.12, subdivision 1, had been applied to the 1984-1985 school year as those sections read as amended by this article.*

(f) Subtract the result of clause (e) from the result of clause (d).

(g) Divide the amount in clause (f) by the 1984-1985 actual pupil units.

Sec. 12. Minnesota Statutes 1983 Supplement, section 124A.-16, subdivision 4, is amended to read:

Subd. 4. The total revenue per actual pupil unit permitted from the tiers specified in sections 124A.06, 124A.08, 124A.10, 124A.12, and 124A.14 shall equal the sum of the previous formula amount plus the greater of:

(a) the minimum increase; or

(b) 25 percent of the difference between the total tier allowance and the previous formula amount in the 1984-1985 school year, (50)  $66\frac{2}{3}$  percent of the difference in the 1985-1986 school year, 75 percent of the difference in the 1986-1987 school year, or 100 percent of the difference in the 1987-1988 school year and subsequent school years.

Sec. 13. Minnesota Statutes 1983 Supplement, section 275.-125, subdivision 2e, is amended to read:

Subd. 2e. [BASIC MAINTENANCE LEVY; DISTRICTS OFF THE FORMULA.] (1) In any year when the amount of the maximum levy limitation under subdivision 2a for any district, exceeds the product of the district's foundation aid formula allowance for the year in which the levy is recognized as revenue times the estimated number of (ACTUAL AND AFDC) *total* pupil units for that district for that school year, the levy limitation for that district under subdivision 2a shall be limited to the greater of the dollar amount of the levy the district certified in

1977 under Minnesota Statutes 1978, section 275.125, subdivision 2a, clause (1), or the following difference but not to exceed the levy limitation under subdivision 2a:

(a) the sum of

(i) the product of the district's foundation aid formula allowance for the school year in which the levy is recognized as revenue, times the estimated number of (ACTUAL AND AFDC) total pupil units for that district for that school year, plus

(ii) the amount (OF) *by which* special state aids of chapter 124 receivable for the same school year, excluding aid authorized in sections 124.2137 and 124.646, *are estimated to be reduced pursuant to section 124.2138, subdivision 1*, plus

(iii) the amount (OF) *by which* state payments on behalf of the district for the same school year authorized in sections 354.43, subdivision 1; 354A.12, subdivision 2; and 355.46, subdivision 3, clause (b), *are estimated to be reduced pursuant to section 124.2138, subdivision 1*, less

(b) the estimated amount of any payments which would reduce the district's foundation aid entitlement as provided in section 124.2132, subdivision 4 in the school year in which the levy is recognized as revenue.

((1) HOWEVER, FOR FISCAL YEAR 1985, THE AMOUNTS IN CLAUSES (A)(II) AND (A)(III) SHALL BE MULTIPLIED BY ONE-SIXTH; FOR FISCAL YEAR 1986, THE AMOUNTS IN CLAUSES (A)(II) AND (A)(III) SHALL BE MULTIPLIED BY ONE-THIRD; FOR FISCAL YEAR 1987, THE AMOUNTS IN CLAUSES (A)(II) AND (A)(III) SHALL BE MULTIPLIED BY ONE-HALF; FOR FISCAL YEAR 1988, THE AMOUNTS IN CLAUSES (A)(II) AND (A)(III) SHALL BE MULTIPLIED BY TWO-THIRDS; AND FOR FISCAL YEAR 1989, THE AMOUNTS IN CLAUSES (A)(II) AND (A)(III) SHALL BE MULTIPLIED BY FIVE-SIXTHS.)

((2)) A levy made by a district pursuant to this subdivision shall be construed to be the levy made by that district pursuant to subdivision 2a, for purposes of statutory cross-reference.

Sec. 14. Minnesota Statutes 1983 Supplement, section 298.28, subdivision 1, is amended 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 certified levy for the prior year, computed pursuant to section 275.125, comprises of the sum of certified levies for the prior year for all qualifying districts, computed pursuant to section 275.125. For purposes of distributions pursuant to this part, 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 *second* 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 sections 124.2121 to 124.2128 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 trust 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 pur-

suant 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 trust 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 trust 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 trust 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. 15. [AID SUBTRACTION INCREASE.]

*The legislature intends that, as a result of changes in school district levy limitations in this article and article 2, the aid subtraction required by section 124.155 will be increased by an estimated \$10,550,000 for fiscal year 1985.*

## Sec. 16. [EFFECTIVE DATE.]

*Subdivision 1. Section 3 is effective the day following final enactment and shall apply to the adjustment made pursuant to section 124.155 in fiscal year 1984.*

*Subd. 2. Section 14 is effective for the distribution required to be made on July 15, 1984, and for distributions thereafter.*

## ARTICLE 2

## SUMMER SCHOOL

Section 1. Minnesota Statutes 1982, section 124.20, is amended to read:

## 124.20 [AID FOR SUMMER SCHOOL AND FLEXIBLE SCHOOL YEAR CLASSES.]

Subdivision 1. [PROGRAMS.] Foundation aid for (1) summer school classes which are not a part of the regular school term in hospitals, sanatoriums, and home instruction programs, (2) inter-session classes of flexible school year programs, and (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 summer school and inter-session classes of flexible school year programs, the following phrases shall have the meanings given them.

(1) "Summer school pupil units" means full-time equivalent pupil units for summer school classes and inter-session classes of flexible school year programs computed under the provisions of section 124.17.

(2) "Summer school *instructional* 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) (FOR SUMMER PROGRAMS IN 1982, "SUMMER SCHOOL REVENUE ALLOWANCE" MEANS AN AMOUNT EQUAL TO THE PRODUCT OF THE NUMBER OF SUMMER SCHOOL PUPIL UNITS IN A DISTRICT, TIMES 89 PERCENT OF THE FOUNDATION AID FORMULA ALLOWANCE AS DEFINED IN SECTION 124.2122 FOR THE PRECEDING REGULAR SCHOOL YEAR.) *"Summer educational improvement revenue allowance" means an amount equal to the product of 0.005, times the number of actual pupil units in the district in the preceding regular school year, times the foundation aid formula allowance as defined in section 124.2122 for the preceding regular school year.*

(4) *"Total summer school revenue allowance" means an amount equal to the sum of a district's summer school instructional revenue allowance and summer educational improvement revenue allowance.*

(5) *"Summer school aid" means aid for summer school and inter-session classes of flexible school year programs.*

*Subd. 4. [SUMMER SCHOOL AID.] In fiscal year 1986 and each year thereafter, 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 275.125, subdivision 2k, certified in the calendar year before the summer school program is offered; times*

(b) *the district's total summer school revenue allowance; and*

(2) *the levy certified by the district pursuant to section 275.125, subdivision 2k, in the calendar year before the summer school program is offered.*

*Subd. 5. [AID ADJUSTMENT.] The department of education shall adjust the summer school aid paid each year to reflect adjustments which were made or could have been made to the levy because of a difference between estimated and actual pupil membership. The department shall also adjust summer school levy limitations for districts where actual pupil membership differs from estimated pupil membership.*

*Subd. 6. [AUTHORIZED USE OF SUMMER SCHOOL AID AND LEVY.] Beginning with 1985 summer school, a school board is authorized to use the summer school aid and levy received pursuant to this section and section 275.125, subdivision 2k, for the following purposes:*

(1) *for summer school courses which meet two or more of the following criteria:*

- (a) *they are offered for credit;*
- (b) *they are required for graduation;*
- (c) *they provide academic enrichment or remediation; or*

*(d) they teach basic or advanced skills in the areas of language arts, mathematics, social studies, science, foreign language, fine arts, health and physical education, or computer science; and*

(2) *for expenditures during the summer for curriculum development, staff development, parent or community involvement, experimental educational delivery systems, and other measures designed to improve education in the district.*

Sec. 2. Minnesota Statutes 1982, section 124.201, subdivision 1, is amended to read:

Subdivision 1. [PROGRAMS.] *For fiscal years 1984 and 1985, 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, and (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.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 124.201, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] *For the purposes of computing foundation aid for handicapped pupils enrolled in summer school and intersession 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 intersession 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 state board rules shall be included in the computation of summer school pupil units for the purposes of computing summer school foundation aid for payment in fiscal years 1984 and 1985.*

(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 intersession classes of flexible school year programs.

Sec. 4. Minnesota Statutes 1983 Supplement, section 124.201, subdivision 4, is amended to read:

Subd. 4. [AID FOR 1983 SUMMER SCHOOL SESSION.] In fiscal year 1984 a district shall receive summer school aid for the 1983 summer school session 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 275.125, subdivision 2j, clause (a), certified in calendar year 1983; times

(b) the district's summer school revenue allowance; and

(2) the levy certified by the district pursuant to section 275.125, subdivision (2K) 2j, clause (a), in calendar year 1983.

Sec. 5. Minnesota Statutes 1983 Supplement, section 124.201, subdivision 5, is amended to read:

Subd. 5. [SUMMER SCHOOL AID.] In fiscal year 1985 (AND EACH YEAR THEREAFTER,) 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 275.125, subdivision (2K) 2j, clause (b), certified in (THE CALENDAR YEAR BEFORE THE SUMMER SCHOOL PROGRAM IS OFFERED) 1983; times

(b) the district's summer school revenue allowance; and

(2) the levy certified by the district pursuant to section 275.125, subdivision (2K) 2j, clause (b) in (THE CALENDAR YEAR BEFORE THE SUMMER SCHOOL PROGRAM IS OFFERED) 1983.

Sec. 6. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2k, is amended to read:

Subd. 2k. [(HANDICAPPED) SUMMER SCHOOL LEVY.] In 1984 and each year thereafter, a district may levy for summer school programs (FOR HANDICAPPED PUPILS) an amount equal to the following product:

(a) The district's estimated *total* summer school revenue allowance as defined in section (124.201) 124.20, subdivision 2, (CLAUSE (2)) for the summer school session to be held in the calendar year after the calendar year when the levy is certified, times

(b) the lesser of

(1) one, or

(2) the ratio of

(i) the quotient derived by dividing the adjusted assessed valuation of the district in the second preceding year by the total pupil units in the district in the current *regular* school year, to

(ii) the equalizing factor for the current regular school year.

Sec. 7. Minnesota Statutes 1982, section 275.125, is amended by adding a subdivision to read:

*Subd. 21. [EXCESS LEVY; SUMMER SCHOOL.] In addition to the levy authorized in subdivision 2k, a district for which the instructional summer school revenue allowance is less than an amount equal to \$20 times the number of actual pupil units in the district in the regular school year prior to the summer program may levy the following difference:*

(a) *\$20 times the number of actual pupil units in the district in the regular school term in the year the levy is certified, less*

(b) *the instructional summer school revenue allowance for the summer in the year after the year the levy is certified.*

*This levy shall be used for the same purposes for which the summer school instructional revenue allowance may be used.*

Sec. 8. [REPEALER.]

*Subdivision 1. Minnesota Statutes 1982, section 275.125, subdivision 2g, and Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2i, are repealed.*

*Subd. 2. Minnesota Statutes 1982, section 124.201, as amended by Laws 1983, chapter 314, article 3, sections 3, 4, 5, 6, and 7;*

*and by sections 2, 3, and 4 of this article; and Minnesota Statutes 1983 Supplement, section 275.125, subdivision 2j, are repealed.*

Sec. 9. [EFFECTIVE DATE.]

*Section 1 is effective September 1, 1984, for summer school to be held in 1985 and thereafter. Section 8, subdivision 2, is effective May 1, 1985.*

ARTICLE 3

SPECIAL EDUCATION

Section 1. Minnesota Statutes 1983 Supplement, section 120.17, subdivision 3b, is amended to read:

Subd. 3b. [PROCEDURES FOR DECISIONS.] Every district shall utilize at least the following procedures for decisions involving identification, assessment and educational placement of handicapped children:

(a) Parents and guardians shall receive prior written notice of:

(1) any proposed formal educational assessment or proposed denial of a formal educational assessment of their child;

(2) a proposed placement of their child in, transfer from or to, or denial of placement in a special education program; or

(3) the proposed provision, addition, denial or removal of special education services for their child;

(b) The district shall not proceed with the initial formal assessment of a child, the initial placement of a child in a special education program or the initial provision of special education services for a child without the prior written consent of the child's parent or guardian. The refusal of a parent or guardian to consent may be overridden by the decision in a hearing held pursuant to clause (d) at the district's initiative after at least one attempt to obtain this consent through a conciliation conference held pursuant to clause (c);

(c) Parents and guardians shall have an opportunity to meet with appropriate district staff in at least one conciliation conference if they object to any proposal of which they are notified pursuant to clause (a);

(d) Parents, guardians and the district shall have an opportunity to obtain an impartial due process hearing initiated and conducted in the school district where the child resides, if

after at least one conciliation conference the parent or guardian continues to object to:

- (1) a proposed formal educational assessment or proposed denial of a formal educational assessment of their child;
- (2) the proposed placement of their child in, or transfer of their child to a special education program;
- (3) the proposed denial of placement of their child in a special education program or the transfer of their child from a special education program;
- (4) the proposed provision or addition of special education services for their child; or
- (5) the proposed denial or removal of special education services for their child.

At least five calendar days before the hearing, the objecting party shall provide the other party with a brief written statement of the objection and the reasons for the objection.

The hearing shall take place before an impartial hearing officer mutually agreed to by the school board and the parent or guardian. If the school board and the parent or guardian are unable to agree on a hearing officer, the school board shall request the commissioner to appoint a hearing officer. The hearing officer shall not be a school board member or employee of the school district where the child resides or of the child's school district of residence, an employee of any other public agency involved in the education or care of the child, or any person with a personal or professional interest which would conflict with his objectivity at the hearing. A person who otherwise qualifies as a hearing officer is not an employee of the district solely because the person is paid by the district to serve as a hearing officer. If the hearing officer requests an independent educational assessment of a child, the cost of the assessment shall be at district expense. The proceedings shall be recorded and preserved, at the expense of the school district, pending ultimate disposition of the action.

(e) The decision of the hearing officer pursuant to clause (d) shall be rendered not more than 45 calendar days from the date of the receipt of the request for the hearing. A hearing officer may grant specific extensions of time beyond the 45-day period at the request of either party. The decision of the hearing officer shall be binding on all parties unless appealed to the (COMMISSIONER) *hearing review officer* by the parent, guardian, or the school board of the district where the child resides pursuant to clause (f).

The local decision shall:

- (1) be in writing;
  - (2) state the controlling facts upon which the decision is made in sufficient detail to apprise the parties and the (COMMISSIONER) *hearing review officer* of the basis and reason for the decision;
  - (3) state whether the special education program or special education services appropriate to the child's needs can be reasonably provided within the resources available to the responsible district or districts;
  - (4) state the amount and source of any additional district expenditure necessary to implement the decision; and
  - (5) be based on the standards set forth in subdivision 3a and the rules of the state board.
- (f) Any local decision issued pursuant to clauses (d) and (e) may be appealed to the (COMMISSIONER) *hearing review officer* within 15 calendar days of receipt of that written decision, by the parent, guardian, or the school board of the district where the child resides.

If the decision is appealed, a written transcript of the hearing shall be made by the school district and shall be accessible to the parties involved within five calendar days of the filing of the appeal. The (COMMISSIONER) *hearing review officer* shall issue a final decision based on an impartial review of the local decision and the entire record within 30 calendar days after the filing of the appeal. The (COMMISSIONER) *hearing review officer* shall seek additional evidence if necessary and may afford the parties an opportunity for written or oral argument; provided any hearing held to seek additional evidence shall be an impartial due process hearing but shall be deemed not to be a contested case hearing for purposes of chapter 14. The (COMMISSIONER) *hearing review officer* may grant specific extensions of time beyond the 30-day period at the request of any party.

The final decision shall:

- (1) be in writing;
- (2) include findings and conclusions; and
- (3) be based upon the standards set forth in subdivision 3a and in the rules of the state board.



(g) The decision of the (COMMISSIONER) hearing review officer shall be final unless appealed by the parent or guardian or school board to the court of appeals. The judicial review shall be in accordance with chapter 14.

(h) *The commissioner of education, having delegated general supervision of special education to the appropriate staff, shall be the hearing review officer except for appeals in which:*

(1) *The commissioner has a personal interest in or specific involvement with the student who is a party to the hearing, or*

(2) *The commissioner has been employed as an administrator by the district that is a party to the hearing, or*

(3) *The commissioner has been involved in the selection of the administrators of the district that is a party to the hearing, or*

(4) *The commissioner has a personal, economic, or professional interest in the outcome of the hearing other than the proper administration of the federal and state laws, rules, and policies, or*

(5) *The appeal challenges a state or local policy, the development of which the commissioner was substantially involved in, or*

(6) *The appeal challenges the actions of a department employee or official.*

*For any appeal to which the above exceptions apply, the state board of education shall name an impartial hearing review officer.*

*In all appeals, the parent or guardian of the handicapped student or the district that is a party to the hearing may challenge the impartiality of the proposed hearing review officer by applying to the state board of education.*

((H)) (i) Pending the completion of proceedings pursuant to this subdivision, unless the district and the parent or guardian of the child agree otherwise, the child shall remain in his current educational placement and shall not be denied initial admission to school.

((I)) (j) The child's school district of residence, if different from the district where the child actually resides, shall receive notice of and may be a party to any hearings or appeals pursuant to this subdivision.

## Sec. 2. [REPEALER.]

*Minnesota Statutes 1982, section 124.32, subdivisions 1a, 1e, and 2a; and Minnesota Statutes 1983 Supplement, section 124.32, subdivision 5a, are repealed.*

## ARTICLE 4

## COMMUNITY EDUCATION

Section 1. Minnesota Statutes 1983 Supplement, section 124.-271, subdivision 2b, is amended to read:

Subd. 2b. [AID; 1985 AND AFTER.] (1) (IN FISCAL YEAR 1985 AND) Each fiscal year (THEREAFTER), each district which is operating a community education program in compliance with rules promulgated by the state board shall receive community education aid (IN). *For fiscal year 1985, the aid shall be an amount equal to the difference obtained by subtracting*

(a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from

(b) the greater of

(i) \$7,000, or

(ii) \$5 times the population of the district.

*For fiscal year 1986 and each fiscal year thereafter, the aid shall be an amount equal to the difference obtained by subtracting*

(a) an amount equal to .8 mill times the adjusted assessed valuation used to compute the community education levy limitation for the levy attributable to that school year, from

(b) the greater of

(i) \$7,000, or

(ii) \$5.25 times the population of the district.

(2) However, for any district which certifies less than the maximum permissible levy under the provisions of section 275.-125, subdivision 8, clause ((4)) (1), the district's community education aid under clause (1) of this subdivision shall be reduced by multiplying the aid amount computed pursuant to clause (1) of this subdivision by the ratio of the district's actual levy under

section 275.125, subdivision 8, clause ((4)) (1), to its maximum permissible levy under section 275.125, subdivision 8, clause ((4)) (1). For purposes of computing the aid reduction pursuant to this clause, the amount certified pursuant to section 275.125, subdivision 8, clause ((4)) (1), shall not reflect reductions made pursuant to section 275.125, subdivision 9.

(3) In addition to the amount in clause (1), in fiscal year 1985 and each fiscal year thereafter a district which makes a levy for community education programs pursuant to section 275.125, subdivision 8, shall receive additional aid of 50 cents per capita.

Sec. 2. Minnesota Statutes 1983 Supplement, section 275.125, subdivision 8, is amended to read:

Subd. 8. [COMMUNITY EDUCATION LEVY.] (1) (EXCEPT AS PROVIDED IN CLAUSES (2) AND (3), IN 1982 A DISTRICT WHICH HAS ESTABLISHED A COMMUNITY EDUCATION ADVISORY COUNCIL PURSUANT TO SECTION 121.88, MAY LEVY THE AMOUNT RAISED BY .9 MILL TIMES THE MOST RECENT ADJUSTED ASSESSED VALUATION OF THE DISTRICT, BUT NO MORE THAN \$5 TIMES THE POPULATION OF THE DISTRICT. THIS AMOUNT SHALL BE REDUCED TO \$4.75 PER CAPITA FOR DISTRICTS WHICH WILL QUALIFY FOR AID IN FISCAL YEAR 1984 EQUAL TO 25 CENTS PER CAPITA PURSUANT TO SECTION 124.271, SUBDIVISION 2A, CLAUSE (1)(B).)

((2) IN 1982 DISTRICTS WHICH RECEIVED TOTAL REVENUE IN FISCAL YEAR 1983 FROM COMMUNITY EDUCATION AID AND LEVY IN EXCESS OF \$5 TIMES THE POPULATION OF THE DISTRICT, MAY LEVY THE AMOUNT OF THE FISCAL YEAR 1983 REVENUE LESS \$5 TIMES THE POPULATION OF THE DISTRICT IN ADDITION TO THE AMOUNT IN CLAUSE (1).)

((3) IN 1982 DISTRICTS WHICH WILL QUALIFY FOR AID PURSUANT TO SECTION 124.271, SUBDIVISION 2A, CLAUSE (1)(C) MAY LEVY THE GREATER OF THE FOLLOWING:)

((A) \$5 PER CAPITA MINUS \$7,000; OR)

((B) THE AMOUNT OF THEIR FISCAL YEAR 1983 REVENUE FROM COMMUNITY EDUCATION AID AND LEVY MINUS \$7,000.)

((4) IN 1983 AND) Each year (THEREAFTER), a district which has established a community education advisory council

pursuant to section 121.88, may levy the amount raised by .8 mill times the most recent adjusted assessed valuation of the district, but no more than the greater of:

(a) (\$5) \$5.25 times the population of the district, or

(b) \$7,000.

((5)) (2) In addition to the levy authorized in clause ((4)) (1), in 1983 a district may levy an additional amount for community education programs equal to the difference obtained by subtracting

(a) the sum in fiscal year 1984 of

(i) the district's estimated maximum permissible revenue for fiscal year 1985 from community education aid under section 124.271, subdivision (2A) (2b), clause (1), and

(ii) the community education levy authorized in clause ((4)) (1) of this subdivision, from

(b) the sum in fiscal year 1983 of

(i) the district's maximum permissible revenue from community education aid under section 124.271, subdivision 2, excluding any reductions from community education aid made pursuant to Laws 1981, Third Special Session chapter 2, article 2, section 2, clause (mm), and Laws 1982, Third Special Session chapter 1, article 3, section 6, and

(ii) the maximum community education levy authorized in this subdivision for the district for the levy made in 1981, payable in 1982, before any reduction in the levy pursuant to subdivision 9.

((6)) (3) In 1984 and each year thereafter, in addition to the levy authorized in clause ((4)) (1), a district may levy an amount equal to the amount the district was entitled to levy pursuant to clause ((5)) (2) in 1983.

((7)) (4) The levies authorized in this subdivision shall be used for community education, including nonvocational adult programs, recreation and leisure time activity programs, and programs authorized by sections 121.85 to 121.88. A school district may levy pursuant to this subdivision only after it has filed a certificate of compliance with the commissioner of education. The certificate of compliance shall certify that the governing boards of the county, municipality and township in which the school district or any part thereof is located have been sent 15

working days written notice of a meeting and that a meeting has been held to discuss methods of increasing mutual cooperation between such bodies and the school board. The failure of a governing board of a county, municipality or township to attend the meeting shall not affect the authority of the school district to levy pursuant to this subdivision.

((8)) (5) The population of the district for purposes of this subdivision is the population determined as provided in section 275.14 or as certified by the department of education from the most recent federal census.

## ARTICLE 5

### VOCATIONAL EDUCATION

Section 1. Minnesota Statutes 1983 Supplement, section 124.195, subdivision 1, is amended to read :

Subdivision 1. [APPLICABILITY.] This section applies to all aids or credits paid by the commissioner of education from the general fund of the state of Minnesota to school districts (EXCEPT AS PROVIDED IN SECTION 124.5629). The procedures described in this section for making disbursements to school districts will be used starting in fiscal year 1984, except that for districts that have tax anticipation certificates or aid anticipation certificates which were sold prior to June 30, 1983, and which mature prior to June 30, 1984, the payment schedules specified in Minnesota Statutes 1982 may continue to be used in fiscal year 1984 if the school district provides evidence to the commissioner of education that the payment schedules established in this section would jeopardize repayment of these certificates or prevent the district from making payments for other services without additional borrowing.

Sec. 2. Minnesota Statutes 1983 Supplement, section 124.195, subdivision 10, is amended to read :

Subd. 10. [AID PAYMENT PERCENTAGE.] Except as provided in subdivisions 8 and 9, beginning in fiscal year 1984, all education aids and credits in chapters 121, 123, 124, 125, and 273.1392, (EXCEPT POST-SECONDARY VOCATIONAL) shall be paid at 85 percent of the estimated entitlement during the fiscal year of the entitlement. The amount of the actual entitlement, after adjustment for actual data, minus the payments made during the fiscal year of the entitlement shall be paid as the final adjustment payment according to subdivision 6.

Sec. 3. Minnesota Statutes 1983 Supplement, section 124.5615, subdivision 5, is amended to read :

Subd. 5. [REPAIR AND BETTERMENT AID.] The final allocation of repair and betterment aid by the state board does not constitute approval of a project for the purposes of section 121.21, subdivision 4a. The aid shall be placed in the repair and betterment (ACCOUNT OF THE CAPITAL EXPENDITURE) fund and used solely for the purposes enumerated in section 124.5612, subdivision 8. The school board shall authorize and approve actual expenditures of the aid allocated, except that expenditures which exceed \$5,000 shall receive prior approval by the commissioner of education. The process in section 124.5614 shall not constitute approval for this purpose. Use of the aid shall be governed by the provisions of section 121.21, subdivision 4a.

Sec. 4. Minnesota Statutes 1983 Supplement, section 124.5629, is amended to read:

124.5629 [PAYMENT OF AVTI (INSTRUCTIONAL) AID.]

*Subdivision 1. (BEGINNING)* For the 1983-1984 school year, 85 percent of the estimated post-secondary vocational instructional aid entitlement for each district shall be paid during the fiscal year of entitlement in 24 uniform payments on the first business day prior to the 15th of each month and on the first business day prior to the last day of each month.

*Subd. 2. Beginning for the 1984-1985 school year, 94 percent of the estimated instructional aid entitlement for post-secondary vocational education, as defined in section 136C.02, subdivision 3, for each district shall be paid during the fiscal year of entitlement in 24 uniform payments on the first business day prior to the 15th of each month and on the first business day prior to the last day of each month.*

*Subd. 3. The amount of entitlement pursuant to subdivisions 1 and 2, adjusted for actual data on tuition and fund balances, minus the payments made during the fiscal year of entitlement, shall be the final adjustment paid to each district in two payments on September 15 and September 30 in the fiscal year following entitlement.*

*Subd. 4. Beginning for the 1984-1985 school year, 94 percent of the estimated repair and betterment aid entitlement for post-secondary vocational education, as defined in section 136C.02, subdivision 3, for each district shall be paid during the fiscal year of entitlement.*

Sec. 5. Minnesota Statutes 1982, section 124.565, subdivision 7, is amended to read:

Subd. 7. [VETERAN'S EXEMPTION.] A veteran who is a Minnesota resident (SHALL BE) *whose entire education has not included completion of at least one tuition free post-secondary vocational-technical school program, is exempt from the tuition required by subdivision 3 until the veteran has completed the lesser of (a) 440 post-secondary vocational-technical school days, or the equivalent as determined by the state board (FOR) of vocational-technical education, or (b) one post-secondary vocational-technical school program.*

"Veteran" for the purpose of this subdivision means a person who served in the active military service in any branch of the armed forces of the United States after July 1, 1961 and before July 1, 1978, was a Minnesota resident at the time of induction into the armed forces and for the six months immediately preceding induction, and has been separated or discharged from active military service under conditions other than dishonorable.

Sec. 6. Minnesota Statutes 1982, section 136A.02, subdivision 6, is amended to read:

Subd. 6. There is hereby created a higher education advisory council, the membership of which shall include the president of the University of Minnesota, the chancellor of the state university board, the chancellor of the state board for community colleges, *the state director of vocational-technical education*, the commissioner of education, the executive director of the Minnesota private college council, and a representative from the Minnesota association of private post-secondary schools. The advisory council shall (1) bring to the attention of the board any matters which the council deems as needing attention of the board, (2) make recommendations to the board as the council deems appropriate, (3) review and comment upon proposals and other matters before the board, and (4) provide any reasonable assistance to the board in its effort to fulfill responsibilities of the board. The board shall periodically inform the council of all matters under consideration by the board and shall refer all proposals to the council prior to transmitting such proposals as recommendations to the governor and the legislature. The board shall provide time for a report from the advisory council at each meeting of the board.

The higher education advisory council shall report to the board quarterly and at such other times as the council may deem desirable. The council shall determine its meeting times, but the council shall also meet within 30 days following a request for a council meeting by the executive director of the board.

Sec. 7. Minnesota Statutes 1983 Supplement, section 136C.04, is amended by adding a subdivision to read:

Subd. 4a. [CARRY OVER AUTHORITY.] *The state board may carry over any unexpended balance from its appropriation*

*from the first year of a biennium into the second year of the biennium. The state board may carry over an unexpended balance up to a maximum of two percent of its biennial appropriation into the following biennium. These moneys shall not be taken into account in determining state appropriations.*

**Sec. 8. [136C.041] [WITHHOLDING OF ALLOCATIONS.]**

*Subdivision 1. The state board may withhold allocations to an AVTI district if the board finds that AVTI district to be in violation of any statute, rule, or state board policy.*

*Subd. 2. The state board shall notify the AVTI district of its finding. The notice shall specify the violation, describe the correction required, and set a reasonable time within which the AVTI district shall correct the violation. The state board also shall provide the district an opportunity for a hearing to respond and to dispute the finding. No allocations shall be withheld pending the final decision of the state board. If a violation is corrected in the allotted time or if the state board determines that a violation does not exist, no allocations shall be withheld.*

*Subd. 3. The decision of the state board under this section may be reviewed on certiorari by the district court of the county in which the AVTI district, or any part of it, is located.*

**Sec. 9. [136C.06] [BOARD DESIGNATION AS SOLE STATE AGENCY.]**

*The state board of vocational-technical education is designated as the sole state agency for receipt and disbursement of federal funds authorized by the Vocational Education Act of 1963, as amended in the education amendments of 1976, Public Law Number 94-482, and Code of Federal Regulations, title 34, part 400. The state board is responsible for development and submission of the state plan for vocational-technical education which is developed under terms agreed to by the state board and the state board of education.*

**Sec. 10. [MERGED POST-SECONDARY AND ADULT BUDGETS.]**

*The state director of vocational-technical education may prepare a merged budget for post-secondary and adult vocational education administered by an area vocational-technical institute beginning in the 1985-1987 biennium.*

**Sec. 11. [APPROPRIATION.]**

*Subdivision 1. There is appropriated from the general fund to the state board of vocational-technical education for fiscal*



year 1985, the sum of \$9,169,000 for the increased percentage of aid entitlement to be paid during the fiscal year of entitlement, pursuant to section 4, subdivisions 2 and 4.

*Subd. 2. There is appropriated from the general fund to the state board of vocational-technical education for fiscal year 1985, the sum of \$500,000 for new program development and curriculum updating.*

## Sec. 12. [EFFECTIVE DATE.]

*Section 7 is effective June 30, 1984. Section 9 is effective July 1, 1984.*

*Section 7 is first effective to allow the state board of vocational-technical education to carry over appropriations from fiscal year 1984 to fiscal year 1985.*

## ARTICLE 6

### OTHER AIDS AND LEVIES

Section 1. Minnesota Statutes 1982, section 122.532, is amended by adding a subdivision to read:

*Subd. 8. [OPERATING DEBT LEVY.] (1) For a district newly created through consolidation, the operating debt levy limitation under section 275.125, subdivision 9b, shall be computed as provided in this subdivision. The levy in each year may be an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year. The total amount of the levy for all years shall not exceed the lesser of (a) the sum of the deficits of the newly created district in the net unappropriated operating funds of the district as of the effective date of the consolidation, or (b) the sum for all component districts of the aid reduction in fiscal year 1983 according to Laws 1981, Third Special Session chapter 2, article 2, section 2, but excluding clauses (l), (m), (n), (o), and (p), and Laws 1982, Third Special Session chapter 1, article 3, section 6. When the cumulative amount of the levies made pursuant to this subdivision, together with the amount of any levies made by component districts pursuant to section 275.125, subdivision 9b, equal the total amount permitted by this subdivision, the levy shall be discontinued.*

*(2) The proceeds of this levy shall be used for the same purposes for which the operating debt levy authorized by section 275.125, subdivision 9b may be used.*

*(3) Any district which makes a levy pursuant to this subdivision shall certify the maximum levy allowable under section 275.125, subdivision 2a or 2e in that same year.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 124.-195, subdivision 9, is amended to read:

Subd. 9. [PAYMENT PERCENTAGE FOR CERTAIN AIDS.] The following aids shall be paid at 100 percent of the entitlement for the current fiscal year: school lunch aid, according to section 124.646; (TEACHER INSTITUTE AID, CAMPUS LABORATORY SCHOOL AID, AND HIGH TECHNOLOGY AIDS) *hearing impaired support services aid, according to section 121.201; and educational improvement aids, according to sections 121.601, 129B.33, 129B.34, and 129B.36.*

Sec. 3. [124.49] [STANDARDS OF EXCELLENCE.]

*Subdivision 1. [COMMITTEE.] By May 1, 1984, the commissioner shall establish a "schools of excellence" committee consisting of department of education staff members and others. By June 1, 1984, the committee shall develop and distribute to all districts criteria of excellence for specific academic programs in secondary schools. The committee shall also develop and distribute application forms.*

*Subd. 2. [STANDARDS.] The standards shall include an assessment and evaluation of criteria that may include the following:*

- (1) teacher qualifications;*
- (2) curriculum offerings;*
- (3) student ability averages;*
- (4) management;*
- (5) expectations;*
- (6) academic standards;*
- (7) order and discipline;*
- (8) clearly defined academic goals;*
- (9) administrative leadership;*
- (10) community support;*
- (11) organization for learning;*
- (12) frequency, monitoring, and reporting of homework;*

(13) *regularity and frequency of monitoring of student progress;*

(14) *coordination, articulation, and comprehensiveness of curriculum;*

(15) *variety of teaching strategies;*

(16) *opportunities for student responsibility;*

(17) *commitment to accept at least five students; and*

(18) *ability to provide host families.*

#### Sec. 4. [124.491] [SCHOOL APPLICATIONS.]

*Subdivision 1. [SCHOOL APPLICATIONS.] By July 1, 1984, and by February 1 in 1985 and each year thereafter, a district may apply to the commissioner for designation of a secondary school in the district as a "school of excellence." The application shall include evidence of the school's ability to meet the standards of excellence established in section 3, subdivision 2. The "schools of excellence" committee shall evaluate and assess the academic programs of schools applying for "school of excellence" designations. The commissioner, with the advice of the committee, shall designate schools of excellence by July 15, 1984, for the 1984-1985 school year and make additional designations by April 1 preceding the school year beginning in 1985 and each year thereafter.*

*Subd. 2. [RENEWAL.] A school's designation as a "school of excellence" shall be for two school years and may be renewed upon reapplication.*

#### Sec. 5. [124.492] [STUDENT APPLICATIONS.]

*Subdivision 1. [STANDARDS.] By June 15, 1984, the "schools of excellence" committee shall develop standards and application forms for selection of pupils to attend the schools of excellence. The standards for selection of pupils shall include, but not be limited to, an evaluation of the pupil's academic ability, the pupil's future career plans, and lack of academic opportunity in the pupil's current school. These standards and application forms shall be distributed to every district and made available to all students in grades 7 to 11 and their parents.*

*Subd. 2. [PUPIL SELECTION.] The commissioner, with the advice of the "schools of excellence" committee shall select nonresident pupils to attend schools of excellence in accordance with the selection standards developed in subdivision 1. Student selections shall be made by August 1, 1984, for the 1984-1985*

school year and by the June 1 preceding the school year in 1985 and each year thereafter. If the number of students selected does not exceed the limits in section 8, the committee may select additional students after these deadlines.

**Subd. 3. [CONTINUED ATTENDANCE.]** A nonresident pupil selected to attend a school of excellence may continue to attend that school if that student maintains satisfactory progress in the school, until the completion of the last grade offered by the school.

Within ten days of the end of a grading period, but, in any event not less than twice a year, the principal of a school of excellence shall certify to the commissioner of education whether or not the selected pupils are making satisfactory progress in school.

A selected pupil certified as not making satisfactory progress shall be dropped from the attendance rolls of the school of excellence as of the date of the certification.

**Sec. 6. [124.493] [HOST FAMILIES.]**

A school of excellence shall screen and arrange for local families to volunteer to serve as host families to nonresident pupils selected to attend the school.

**Sec. 7. [124.494] [STATE AID.]**

**Subdivision 1. [RESIDENT DISTRICT; RETENTION OF FOUNDATION REVENUE.]** All foundation revenue which a pupil selected to attend a school of excellence would have earned for the resident school district had the pupil continued to attend that district shall continue to be earned by the resident district. If a pupil selected to attend a school of excellence has not been enrolled in a public school in the resident district for at least one school year immediately preceding enrollment in a school of excellence, the resident district shall not earn foundation revenue for that pupil.

**Subd. 2. [RECEIVING DISTRICT.]** The district receiving a pupil selected to participate in the school of excellence program shall count the pupil as a resident pupil unit as defined in section 124.17 for purpose of determining aids and levies.

**Sec. 8. [124.496] [PROGRAM LIMITS.]**

No more than 100 pupils who have completed at least the eighth grade or equivalent and who are Minnesota residents may be selected to participate in the schools of excellence program. No more than ten pupils selected under this program may attend a particular school of excellence at any one time.

## Sec. 9. [124.497] [INCENTIVE GRANTS.]

*A school designated as a school of excellence shall receive an incentive grant for each year of designation. The appropriations for the grants shall be allocated equally among the designated schools.*

Sec. 10. Minnesota Statutes 1982, section 275.125, is amended by adding a subdivision to read:

*Subd. 6e. [DESEGREGATION LEVY.] Each year any district which is implementing a plan for desegregation mandated by the state board of education or under court order may levy an amount not to exceed one mill times the adjusted assessed valuation of the district. Notwithstanding section 121.904, the entire amount of this levy shall be recognized as revenue for the fiscal year in which the levy is certified. This levy shall not be considered in computing the aid reduction under section 124.155.*

Sec. 11. Minnesota Statutes 1983 Supplement, section 275.-125, subdivision 8a, is amended to read:

**Subd. 8a. [INTERDISTRICT COOPERATION LEVY.]** Each year, a district which is eligible for aid pursuant to section 124.272, subdivision 2, may levy the amount of the estimated instructional costs of the interdistrict cooperation plan for the year to which the levy is attributable, but (NOT MORE THAN) *the levy shall not exceed the lesser of: (1) \$50 times the actual pupil units for that school year (. NO LEVY UNDER THIS SUBDIVISION SHALL EXCEED); (2) \$50,000; or (3) one mill times the adjusted assessed valuation of the district for the preceding year.* The proceeds of the levy may only be used to pay for instructional costs incurred in providing the program offerings resulting from the cooperation plan.

Sec. 12. Minnesota Statutes 1983 Supplement, section 275.-125, subdivision 9b, is amended to read:

**Subd. 9b. [OPERATING DEBT LEVY.]** (1) (IN 1983 AND) Each year (THEREAFTER), a district may make an additional levy to eliminate a deficit in the net unappropriated operating funds of the district, determined as of June 30, 1983, and certified and adjusted by the commissioner. This levy may in each year be an amount not to exceed the amount raised by a levy of 1.5 mills times the adjusted assessed valuation of the district for the preceding year as determined by the equalization aid review committee. However, the total amount of this levy for all years it is made shall not exceed the lesser of (a) the amount of the deficit in the net unappropriated operating funds of the district as of June 30, 1983, or (b) the amount of the aid reduction, according to Laws 1981, Third Special Session

chapter 2, article 2, *section 2, but excluding clauses (l), (m), (n), (o), and (p)*, and Laws 1982, Third Special Session chapter 1, article 3, (SECTIONS) *section 6 (AND 7)*, to the district in fiscal year 1983. When the cumulative levies made pursuant to this subdivision equal the total amount permitted by this subdivision, the levy shall be discontinued.

(2) The proceeds of this levy shall be used only for cash flow requirements and shall not be used to supplement district revenues or income for the purposes of increasing the district's expenditures or budgets.

(3) Any district which levies pursuant to this subdivision shall certify the maximum levy allowable under section (271.125) 275.125, subdivision 2a or 2e in that same year.

Sec. 13. Minnesota Statutes 1983 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 to acquire land, to equip and re-equip buildings and permanent attached fixtures, to rent or lease buildings for school purposes, *to purchase textbooks*, to pay leasing fees for computer systems hardware and related proprietary software, *to purchase and lease courseware and related supporting materials and 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, 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, 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 to reduce or eliminate barriers to or 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. The proceeds of the tax may also be used to pay principal and interest on loans from the state authorized by section 116J.37.

(c) Subject to the commissioner's approval, the tax proceeds may also be used 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 acquisition or construction of buildings. The approval criteria for purposes of building acquisition and construction shall include: the appropriateness of the proposal 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 subdivisions 11b and 11c, 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. 14. Minnesota Statutes 1983 Supplement, section 275-125, subdivision 11c, is amended to read:

Subd. 11c. [HAZARDOUS SUBSTANCE CAPITAL EXPENDITURE LEVY.] In 1983 and each year thereafter, in addition to the levy authorized in subdivisions 11a and 11b, a school district may levy an amount not to exceed the amount equal to \$25 per pupil unit. No levy under this subdivision shall exceed two mills times the adjusted assessed valuation of the property in the district for the preceding year. The proceeds of the tax shall be placed in the district's capital expenditure fund and may be used only for expenditures necessary for the removal or encapsulation of asbestos or related repairs, or the cleanup and disposal of polychlorinated biphenyls found in school buildings or property.

Sec. 15. Minnesota Statutes 1982, section 275.125, is amended by adding a subdivision to read:

*Subd. 11d. [REFERENDUM TO ELIMINATE DEFICIT IN CAPITAL EXPENDITURE FUND.] A school district which had a net negative unappropriated fund balance in its capital expenditure fund as of June 30, 1983, may make a levy as provided in this subdivision to eliminate the deficit if the amount levied is approved by the voters of the district at a referendum. The referendum shall be called by the school board and held on a date set by the school board. The amount of the levy shall not exceed the amount of the net negative unappropriated fund balance in the district's capital expenditure fund as of June 30, 1983. If the levy is approved by the voters, the school board may make the levy in one year, or may divide the amount approved by the voters among two or three consecutive years.*

*The ballot shall state the maximum amount of the increased levy in mills for each year that the levy will be made, the amount that will be raised by that levy in each year, and that the levy will be used to eliminate a deficit in the capital expenditure fund of the district. The ballot may contain text with the information required by this subdivision and a question stating substantially the following:*

*"Shall the increase in the levy proposed by the board of  
..... School District No. .... be approved?"*

*If approved by the voters, this levy is not subject to revocation or reduction by petition or subsequent referendum, except that the school board may choose to reduce or eliminate the levy for any year.*

*No more than two elections may be held to approve a levy increase under this subdivision. Notwithstanding any law to the contrary, the approval of 50 percent plus one of those voting on the question is required to pass the referendum authorized by this subdivision. Within 30 days after the district holds a referendum under this subdivision, the district shall notify the commissioner of education of the results of the referendum.*

Sec. 16. Minnesota Statutes 1983 Supplement, section 466.06, is amended to read:

#### 466.06 [LIABILITY INSURANCE.]

The governing body of any municipality may procure insurance against liability of the municipality and its officers, employees, and agents for damages resulting from its torts and those of its officers, employees, and agents, including torts specified in section 466.03 for which the municipality is immune



from liability. The insurance may provide protection in excess of the limit of liability imposed by section 466.04. If the municipality has the authority to levy taxes, the premium costs for such insurance may be levied in excess of any per capita or millage tax limitation imposed by statute or charter. *However, a school district may not levy pursuant to this section for premium costs for motor vehicle insurance protecting against injuries or damages arising out of the operation of district owned, operated, leased, or controlled vehicles for the transportation of pupils for purposes for which state aid is authorized under section 124.223, or for purposes for which the district is authorized to levy under section 275.125, subdivision 5d.* Any independent board or commission in the municipality having authority to disburse funds for a particular municipal function without approval of the governing body may similarly procure liability insurance with respect to the field of its operation. The procurement of such insurance constitutes a waiver of the defense of governmental immunity to the extent of the liability stated in the policy but has no effect on the liability of the municipality beyond the coverage so provided.

Sec. 17. Minnesota Statutes 1983 Supplement, section 475.61, subdivision 3, is amended to read:

Subd. 3. [IRREVOCABILITY.] Tax levies so made and filed shall be irrevocable, except 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 of the excess shall be certified by the school board to the county auditor and the auditor shall reduce the tax levy otherwise to be included in the rolls next prepared by the amount certified, unless the school board determines that the excess amount is necessary to ensure the prompt and full payment of the obligations and any call premium on the obligations, or will be used for redemption of the obligations in accordance with their terms. An amount shall be presumed to be excess for a school district in the amount that it, together with the levy required by subdivision 1 *and considering the timing of receipt of the portion of that levy paid by the state*, will exceed 106 percent 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. Laws 1983, chapter 314, article 6, section 34, subdivision 12, is amended to read:

Subd. 12. [INDIAN EDUCATION.] (a) For certain Indian education programs there is appropriated:

\$156,000 . . . . . 1984,

\$138,000 . . . . . 1985.

The appropriations are based on aid entitlements of \$156,000 for fiscal year 1984 and \$163,000 for fiscal year 1985.

These appropriations are available for expenditure with the approval of the commissioner of education.

The commissioner shall not approve the payment of any amount to a school district pursuant to this subdivision unless that school district is in compliance with all applicable laws of this state.

Up to the following amounts may be distributed to the following school districts for fiscal year 1984: (\$49,600) *\$48,972* to Independent School District No. 309-Pine Point School; (\$8,750) *\$8,639* to Independent School District No. 166; (\$13,500) *\$13,329* to Independent School District No. 432; (\$12,700) *\$12,539* to Independent School District No. 435; (\$38,100) *\$37,618* to Independent School District No. 707; and (\$35,350) *\$34,903* to Independent School District No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements.

Up to the following amounts may be distributed to the following school districts for fiscal year 1985: (\$52,100) *\$50,955* to Independent School District No. 309-Pine Point School; (\$9,200) *\$8,998* to Independent School District No. 166; (\$14,200) *\$13,888* to Independent School District No. 432; (\$13,350) *\$13,056* to Independent School District No. 435; (\$40,050) *\$39,170* to Independent School District No. 707; and (\$37,100) *\$36,285* to Independent School District No. 38. These amounts shall be expended only for the benefit of Indian students and for the purpose of meeting established state educational standards or statewide requirements. *These allocations are based on 100 percent of the entitlement for fiscal year 1985, 85 percent of which is appropriated for payment in fiscal year 1985.*

These appropriations are available only if there will not be available for the districts enumerated in this subdivision for the

applicable school year any operation support funds from the federal bureau of Indian affairs pursuant to the Johnson-O'Malley Act, Public Law 73-167 or 25 Code of Federal Regulations 273.31, or equivalent money from the same or another source.

(b) Before a district can receive moneys pursuant to this subdivision, the district must submit to the commissioner of education evidence that it has:

(i) Complied with the Uniform Financial Accounting and Reporting Standards Act, sections 121.90 to 121.917. For each school year, compliance with section 121.908, subdivision 3a, shall require the school district to prepare one budget including the amount available to the district pursuant to this subdivision and one budget which does not include these moneys. The budget of that school district for the 1985-1986 school year prepared according to section 121.908, subdivision 3a, shall be submitted to the commissioner of education at the same time as 1984-1985 budgets and shall not include any moneys appropriated in this subdivision;

(ii) Conducted a special education needs assessment and prepared a proposed service delivery plan according to Minnesota Statutes, sections 120.03 and 120.17; Public Law 94-142, an act of the 94th Congress of the United States cited as the "Education for All Handicapped Children Act of 1975"; and applicable state board of education rules; and

(iii) Compiled accurate daily pupil attendance records.

(c) Prior to approving payment of any amount to a school district pursuant to this subdivision, the commissioner shall review and evaluate each affected district's compliance with clause (b) and any other applicable laws, and each affected district's need for the moneys. Each affected district's net unappropriated fund balance in all operating funds as of June 30 of the previous school year shall be taken into consideration.

Sec. 19. Laws 1983, chapter 314, article 9, section 14, subdivision 3, is amended to read:

Subd. 3. [EARLY CHILDHOOD AND FAMILY EDUCATION PROGRAMS.] For early childhood and family education programs pursuant to sections 129B.06 to 129B.09, there is appropriated:

\$1,028,000 . . . . . 1984.

The appropriation for fiscal year 1984 includes \$209,000 for grants for fiscal year 1983 payable in fiscal year 1984, and \$819,-

000 for grants for fiscal year 1984. The amount of the appropriation for grants for fiscal year 1984 is the total appropriation for these grants.

The council on quality education shall prorate this amount among the eligible districts in proportion to the ratio of the district's grant for fiscal year 1983 to the total amount of grants made for fiscal year 1983. However, the total amount of revenue received by a district for fiscal year 1984 pursuant to this subdivision and Minnesota Statutes, section 124.271, subdivision 2a, clause (2) shall not exceed the amount of the district's grant for fiscal year 1983; *if any district's aid is reduced because of this limitation, the amount of the reduction shall be prorated among the districts not subject to this limitation.*

Sec. 20. [MINNESOTA ARTS EDUCATION STUDY.]

*By January 15, 1985, the Minnesota School for the Arts Planning Task Force, with the assistance of the department of education, shall submit to the education committees of the legislature a study which addresses the improvement of arts education in elementary and secondary schools. The study shall include:*

(a) *A plan for the establishment of a Minnesota School for the Arts including:*

- (1) *a governance structure;*
- (2) *administration and staffing;*
- (3) *curriculum components including academic areas;*
- (4) *student selection procedures;*
- (5) *student transportation and housing;*
- (6) *site options;*
- (7) *capital and operational budget;*
- (8) *funding provisions and sources;*
- (9) *tuition; and*
- (10) *recommendations on how the arts school can serve as a statewide resource center for school district staff and students.*

(b) *A review of the comprehensive arts planning grants pursuant to Minnesota Statutes, sections 129B.17 to 129B.21.*

(c) *A needs assessment of arts programs at the elementary and secondary level, including recommendations for expanded arts opportunities for all students.*

Sec. 21. [APPROPRIATIONS.]

*Subdivision 1. [ABATEMENT AID.] For abatement aid pursuant to section 124.214, subdivision 2, there is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1984, the sum of \$1,030,700. This appropriation shall be added to the sum appropriated for fiscal year 1984 for this purpose in Laws 1983, chapter 314, article 6, section 34, subdivision 3.*

*Subd. 2. [INTERDISTRICT COOPERATION AID.]*

*For interdistrict cooperation aid pursuant to section 124.272, there is appropriated from the general fund to the department of education for the fiscal year ending June 30, 1985, the sum of \$255,000. This appropriation shall be added to the sum appropriated for fiscal year 1985 in Laws 1983, chapter 314, article 6, section 34, subdivision 9.*

*Subd. 3. [ARTS EDUCATION STUDY.] The sum of \$148,000 is appropriated from the general fund to the department of education for the purposes of section 20. The sum is available until June 30, 1985.*

*Subd. 4. [SCHOOLS OF EXCELLENCE.] There is appropriated from the general fund \$398,000 to the department of education for the purposes of sections 3 to 9. Of this amount \$100,000 is for the grants pursuant to section 9; \$238,000 is for the foundation aid payments to the resident school districts pursuant to section 7, subdivision 1; and \$60,000 is for administrative costs.*

Sec. 22. [EFFECTIVE DATES.]

*Sections 2 to 9 and 18, 19, and section 21, subdivision 1, are effective the day following final enactment.*

ARTICLE 7

MISCELLANEOUS

Section 1. Minnesota Statutes 1982, section 121.908, is amended by adding a subdivision to read:

*Subd. 6. A school district providing early retirement incentive payments under section 125.611, severance pay under section 465.72, or health insurance benefits to retired employees*

*under section 471.61, must account for the payments according to uniform financial accounting and reporting standards adopted for Minnesota school districts pursuant to section 121.902.*

Sec. 2. Minnesota Statutes 1982, section 121.935, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] Every regional management information center shall:

(a) Assist its affiliated districts in complying with the reporting requirements of the annual data acquisition calendar and the rules of the state board of education;

(b) Respond within 15 calendar days to requests from the department for *district information provided to the region for state reporting of information*, based on the data elements in the data element dictionary;

(c) Operate financial management information systems consistent with the uniform financial accounting and reporting standards for Minnesota school districts adopted by the state board pursuant to sections 121.90 to 121.917;

(d) Make available to districts the opportunity to participate fully in all the subsystems of ESV-IS;

(e) Before July 1, 1981, develop a plan for the provision of services during a system failure or a disaster;

(f) Comply with the requirement in section 121.908, subdivision 2, on behalf of districts affiliated with it; and

(g) Operate fixed assets property management information systems consistent with the uniform property accounting and reporting standards for Minnesota area vocational-technical institutes adopted by the state board pursuant to section 121.902, subdivision 1a.

Sec. 3. Minnesota Statutes 1982, section 121.935, subdivision 6, is amended to read:

Subd. 6. [FEES.] Regional management information centers may charge fees to affiliated districts (. A DISTRICT WHICH SUBMITS FINANCIAL TRANSACTIONS TO THE CENTER IN SUMMARY FORM PURSUANT TO SECTION 121.936, SUBDIVISION 1, OR WHICH USES AN APPROVED ALTERNATIVE MANAGEMENT INFORMATION SYSTEM PURSUANT TO SECTION 121.936, SUBDIVISIONS 2 TO 4, MAY APPLY TO THE COMMISSIONER TO SET THE FEE IF THE DISTRICT AND THE CENTER CANNOT AGREE

ON A FEE. THE COMMISSIONER SHALL ISSUE AN ORDER SETTING THE FEE, WHICH SHALL BE BINDING ON BOTH THE CENTER AND THE DISTRICT) *for the cost of services provided to the district and the district's proportionate share of outstanding regional debt. In no event shall the annual fee of a district participating in a state pilot program of an alternative financial management information system exceed the annual fee chargeable to the district in the absence of the pilot program.*

Sec. 4. Minnesota Statutes 1982, section 121.936, subdivision 1, is amended to read:

Subdivision 1. [MANDATORY PARTICIPATION.] (a) By July 1, 1980, every district shall perform financial accounting and reporting operations on a financial management accounting and reporting system utilizing multi-dimensional accounts and records defined in accordance with the uniform financial accounting and reporting standards adopted by the state board pursuant to sections 121.90 to 121.92.

(b) By July 1, 1980, every school district shall be affiliated with one and only one regional management information center. This affiliation shall include at least the following components:

(1) The center shall provide reports to the department of education for the district to the extent required by the data acquisition calendar;

(2) The district shall use the ESV-IS finance subsystem through the center to process every detailed financial transaction of the district.

Notwithstanding the foregoing, a district (WITH 3,000 OR FEWER PUPILS IN AVERAGE DAILY MEMBERSHIP AS DEFINED IN SECTION 124.17, SUBDIVISION 2. MAY SUBMIT ITS FINANCIAL TRANSACTIONS TO THE CENTER FOR PROCESSING IN SUMMARY FORM IF BEFORE JULY 1, 1980, THE PLANNED FORM OF THE DISTRICT'S SUBMISSION OF ITS TRANSACTIONS AND THE CONFORMANCE OF THE DISTRICT'S FINANCIAL ACCOUNTING AND REPORTING SYSTEM TO THE UNIFORM FINANCIAL ACCOUNTING AND REPORTING STANDARDS ADOPTED BY THE STATE BOARD PURSUANT TO SECTIONS 121.90 TO 121.92 ARE APPROVED BY THE FOLLOWING TEAM: THE DIRECTOR OF SCHOOL FINANCIAL MANAGEMENT IN THE DEPARTMENT OF EDUCATION, AND THE DIRECTOR OF MANAGEMENT INFORMATION SERVICES AND THE COORDINATOR FOR THE ESV-IS FINANCE SUBSYSTEM FOR THE MINNESOTA EDUCATIONAL COMPUTING CONSORTIUM) *may process and submit its financial data to a region or the state in summary form*

*if it operates an approved alternative system or participates in a state approved pilot test of an alternative system.*

(c) The provisions of this subdivision shall not be construed to prohibit a district from purchasing services other than those described in clause (b) from a center other than the center with which it is affiliated pursuant to clause (b).

*Districts operating an approved alternative system or participating in a state approved pilot test of an alternative financial system shall purchase finance system services from any region if the region of affiliation does not offer alternative system support services.*

Sec. 5. [123.3513] [ADVANCED ACADEMIC CREDIT.]

*School districts shall grant academic credit to a student attending an accelerated or advanced academic course offered by a higher education institution or a nonprofit public agency other than the school district, if the student successfully completes the course attended and passes an examination for the course which is approved by the school district. In the event no comparable course is offered by the school district, the state board of education shall determine the number of credits which shall be granted to a student who successfully completes and passes the course. In the event a comparable course is offered by the school district, the school board shall grant a comparable number of credits to the student. If there is a dispute between the school district and the student regarding the number of credits granted for a particular course, the student may appeal the school board's decision to the state board of education. The state board's decision regarding the number of credits shall be final.*

*The credits granted to a student pursuant to this section shall be placed on the student's permanent secondary record and shall be counted toward the graduation requirements and subject area requirements of the school district.*

Sec. 6. Minnesota Statutes 1982, section 123.36, subdivision 10, is amended to read:

Subd. 10. (a) The board may lease a schoolhouse which is not needed for school purposes to any person or organization. The board may charge and collect reasonable consideration for the lease and may determine the terms and conditions of the lease.

(b) In districts with outstanding bonds, the net proceeds of the lease shall be first deposited in the debt retirement fund of the district in an amount sufficient to meet when due that percentage of the principal and interest payments for



(ALL) outstanding bonds *which is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building that is leased.* Any remaining net proceeds in these districts *may be placed in the capital expenditure fund or the debt retirement fund of the district,* and all net proceeds of the lease in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.

(c) The board may make capital improvements to a schoolhouse or a portion thereof, not exceeding in cost the replacement value of the schoolhouse, to facilitate its rental, and the lease of an improved schoolhouse shall provide for rentals which will recover the cost of the improvements over the initial term of the lease. Notwithstanding clause (b), the portion of the rentals representing the cost of the improvements shall be deposited in the capital expenditure fund of the district and the balance of the rentals shall be used as provided in clause (b).

Sec. 7. Minnesota Statutes 1983 Supplement, section 123.36, subdivision 13, is amended to read:

Subd. 13. [PROCEEDS OF SALE OR EXCHANGE.] Proceeds of the sale or exchange of school buildings or real property of the school district shall be used as provided in this subdivision.

(1) In districts with outstanding bonds, the proceeds of the sale or exchange shall first be deposited in the debt retirement fund of the district in an amount sufficient to meet when due that percentage of the principal and interest payments for outstanding bonds which is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property which is sold.

(2) After satisfying the requirements of clause (1), a district with outstanding bonds may deposit proceeds of the sale or exchange in its capital expenditure fund if the amount deposited is used for the following:

(a) for energy audits on district owned buildings conducted pursuant to chapter 116H, and for funding those energy conservation and renewable energy measures which the energy audits indicate will reduce the use of nonrenewable sources of energy to the extent that the projected energy cost savings will amortize the cost of the conservation measures within a period of ten years or less;

(b) (FOR CAPITAL EXPENDITURES FOR THE PURPOSE OF REDUCING OR ELIMINATING BARRIERS TO OR INCREASING ACCESS TO SCHOOL FACILITIES BY HANDICAPPED PERSONS;)

((C) FOR CAPITAL EXPENDITURES TO BRING DISTRICT FACILITIES INTO COMPLIANCE WITH THE UNIFORM FIRE CODE ADOPTED PURSUANT TO CHAPTER 299F;)

((D) FOR EXPENDITURES FOR THE REMOVAL OF ASBESTOS FROM SCHOOL BUILDINGS OR PROPERTY OR FOR ASBESTOS ENCAPSULATION, IF THE METHOD FOR ASBESTOS REMOVAL OR ENCAPSULATION IS APPROVED BY THE DEPARTMENT OF EDUCATION;)

((E)) for expenditures for the cleanup of polychlorinated biphenyls, if the method for cleanup is approved by the department of education;

((F)) (c) for capital expenditures (TO RENOVATE AND IMPROVE) for the betterment of district-owned school buildings (IN WHICH ENROLLMENT HAS INCREASED AS A RESULT OF CLOSING SCHOOLS IN THE DISTRICT); or

((G)) (d) to replace the building or property sold.

The amount of the proceeds used for the purposes specified in (CLAUSES) *clause* (a) (, (B), (C), (D), AND (E)) shall be deducted from the levy limitation computed for the levy authorized in section 275.125, subdivision 11b in the first year after the deposit and from levy limitations computed for this levy in succeeding years until the entire amount is deducted.

(3) In a district with outstanding bonds, the amount of the proceeds of the sale or exchange remaining after the application of clauses (1) and (2), which is sufficient to meet when due that percentage of the principal and interest payments for the district's outstanding bonds which is not governed by clause (1), shall be deposited in the debt retirement fund.

(4) Any proceeds of the sale or exchange remaining in districts with outstanding bonds after the application of clauses (1), (2), and (3), and all proceeds of the sale or exchange in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.

(5) Notwithstanding clauses (2) and (3), a district with outstanding bonds may deposit in its capital expenditure fund and use for any lawful capital expenditure without the reduction of any levy limitation the same percentage of the proceeds of the sale or exchange of a building or property as the percentage of the initial cost of purchasing or constructing the building or property which was paid using revenue from the capital expenditure fund.

(6) Every district which sells or exchanges a building or property shall report to the commissioner in the form and at the

time he prescribes on the disposition of the proceeds of the sale or exchange.

Sec. 8. Minnesota Statutes 1983 Supplement, section 125.032, subdivision 2, is amended to read:

Subd. 2. [EXCEPTIONS.] A person who teaches in a community education program which qualifies for aid pursuant to section 124.26 shall continue to meet licensure requirements as a teacher. A person who teaches in an early childhood and family education program which is offered through a community education program and which qualifies for per capita aid pursuant to section 124.271 shall continue to meet licensure requirements as a teacher. A person who teaches in a community education course which is offered for credit for graduation to persons under 18 years of age shall continue to meet licensure requirements as a teacher. A person who teaches a driver training course which is offered through a community education program to persons under 18 years of age shall be licensed by the board of teaching. A license which is required for an instructor in a community education program pursuant to this subdivision shall not be construed to bring an individual within the definition of a teacher for purposes of section 125.12, subdivision 1, or section 125.17, subdivision 1, clause (a). (A COMMUNITY EDUCATION INSTRUCTOR SHALL NOT BE DEFINED AS A TEACHER PURSUANT TO SECTION 179.63, SUBDIVISION 13, OR BE A MEMBER OF A TEACHER BARGAINING UNIT SOLELY AS A RESULT OF THAT INDIVIDUAL'S EMPLOYMENT IN A COMMUNITY EDUCATION PROGRAM.)

Sec. 9. Minnesota Statutes 1982, section 465.721, is amended to read:

465.721 [FUNDING.]

No county, city, township, (SCHOOL DISTRICT) or other governmental subdivision shall implement a plan for payment of severance pay pursuant to section 465.72 until a plan providing for full funding has been developed and approved by the governing body. *This section does not apply to school districts.*

Sec. 10. Minnesota Statutes 1982, section 471.61, subdivision 1, is amended to read:

Subdivision 1. [OFFICERS, EMPLOYEES.] Any county, municipal corporation, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, other than the state or any department thereof, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may insure or protect its or their officers and employees, and their dependents, or any class or classes thereof, under a policy or poli-

cies, or contract or contracts of group insurance or benefits covering life, health, and accident, in the case of employees, and medical and surgical benefits, and hospitalization insurance or benefits, for both employees and dependents, or dependents of an employee whose death was due to causes arising out of and in the course of employment, or any one or more of such forms of insurance or protection. Any such governmental unit, including county extension committees and those paying their employees, may pay all or any part of the premiums or charges on such insurance or protection. Any such payment shall be deemed to be additional compensation paid to such officers or employees but for purposes of determining contributions or benefits under any public pension or retirement system it shall not be deemed to be additional compensation. Any one or more of such governmental units may determine that a person is an officer or employee if such officer or employee receives a portion of his income from such governmental subdivisions without regard to the manner of his election or appointment. The appropriate officer of such governmental unit, or those disbursing county extension funds, shall deduct from the salary or wages of each officer and employee who elects to become insured or so protected, on the officer's or employee's written order, all or part of the officer's or employee's share of such premiums or charges and remit the same to the insurer or company issuing such policy or contract.

Any governmental unit, *other than a school district*, which pays all or any part of such premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary funds for the payment of such premiums or charges, and (EXCEPT FOR SCHOOL DISTRICTS) such sums so levied and appropriated shall not, in the event such sum exceeds the maximum sum allowed by any law or the charter of a municipal corporation, be considered part of the cost of government of such governmental unit as defined in any tax levy or per capita expenditure limitation; provided at least 50 percent of the cost of benefits on dependents shall be contributed by the employee or be paid by levies within existing per capita tax limitations.

The word "dependents" as used herein shall mean spouse and minor unmarried children under the age of 18 years actually dependent upon the employee.

Sec. 11. Minnesota Statutes 1982, section 471.61, subdivision 2a, is amended to read:

Subd. 2a. [RETIRED OFFICERS, EMPLOYEES.] Any county, municipal corporation, town, school district, county extension committee, other political subdivision or other body corporate and politic of this state, including the state or any department thereof, through its governing body, and any two or more subdivisions acting jointly through their governing bodies, may

insure or protect its or their retired officers and retired employees entitled to benefits under any public employees retirement act and their dependents, or any class or classes thereof, under a policy or policies, or contract or contracts of group insurance or benefits covering life, health, and accident, medical and surgical benefits, or hospitalization insurance or benefits, for retired officers and retired employees and their dependents, or any one or more of such forms of insurance or protection. Any such governmental unit, including county extension committees, may pay all or any part of the premiums or charges on such insurance or protection. Any one or more of such governmental units may determine that a person is a retired officer or a retired employee if such officer or employee, when employed, received a portion of his income from such governmental subdivisions without regard to the manner of his election or appointment. The appropriate officer of such governmental unit, or those disbursing county extension funds, shall collect from each such retired officer and retired employee who elects to become insured or so protected, on such officer's or employee's written order, all or part of the retired officer's or retired employee's share of such premiums or charges and remit the same to the insurer or company issuing such policy or contract.

Any governmental unit, *other than a school district*, which pays all or any part of such premiums or charges is authorized to levy and collect a tax, if necessary, in the next annual tax levy for the purpose of providing the necessary funds for the payment of such premiums or charges, and (EXCEPT FOR SCHOOL DISTRICTS) such sums so levied and appropriated shall not, in the event such sum exceeds the maximum sum allowed by any law or the charter of a municipal corporation, be considered part of the cost of government of such governmental unit as defined in any tax levy or per capita expenditure limitation; provided at least 50 percent of the cost of benefits on dependents shall be contributed by the retired officer or retired employee or be paid by levies within existing per capita tax limitations.

The word "dependents" as used herein shall mean spouse and minor unmarried children under the age of 18 years actually dependent upon the retired officer or retired employee.

Sec. 12. Laws 1976, chapter 20, section 5, subdivision 1, is amended to read:

Sec. 5. [RESERVE FUND FOR REDUCING STATUTORY OPERATING DEBT.] Subdivision 1. The district shall establish a special reserve account, which shall be designated "reserve account for purposes of reducing statutory operating debt" on its books and records into which the proceeds of the bonds authorized in section 1 and the levies made under section 4 shall be placed. The funds in this account shall be used only for

the payment of district operating expenses; but the amount in this account shall never supplement district revenues or income for the purposes of increasing the district's capital or operational expenditures or budgets, or for any purpose, other than to meet temporary cash needs. Earnings on sums in this account may be used for paying interest expenses on tax and aid anticipation certificates and for the purposes for which funds in this account may be used. *Earnings on sums in this account after June 30, 1984, may be withdrawn from the account and placed in the general fund.* The funds in this account may be invested and reinvested in accordance with the further provisions of Minnesota Statutes, section 475.66, as amended.

Sec. 13. Laws 1983, chapter 314, article 7, section 45, is amended to read:

**Sec. 45. [PILOT PROJECTS USING MICROCOMPUTERS.]**

The department of education shall pilot test microcomputer-based financial reporting systems in up to (EIGHT) 30 school districts *approved by the department* during the (1983-1984) 1984-1985 school year. *Districts requesting to participate in the pilot test shall meet hardware, software, and support limitations of the test system use as established by the department.* The alternative reporting system must comply with Minnesota Statutes, sections 121.90 to 121.917.

The school districts selected as pilot sites shall operate parallel reporting systems until such time that the department certifies that the alternative system meets the reporting requirements. The systems to be tested shall include one developed by the Minnesota educational computing consortium and at least one other available system recommended for testing by the ESV computer council, in consultation with the department. The alternative reporting systems operated by school districts selected as pilot sites shall be exempt from the requirements in Minnesota Statutes, section 121.936, subdivision 1, clause (b)(2), for the (1983-1984) 1984-1985 school year.

The department shall evaluate the pilot systems. The evaluation shall include recommendations on the feasibility and efficiency of reporting directly to the department, reporting to the department through the regional management information centers, or by other methods. The ESV computer council shall review the evaluation of the pilot systems and report its findings to the house education and appropriations committees and senate education and finance committees by (FEBRUARY 15, 1984) *January 15, 1985.* *The report shall include: an analysis of district, state, and regional costs associated with operation of the systems; recommendations for maintenance of the systems; alternatives, their costs and recommendations for the provision*

of support to users; and an analysis of the desirability of limiting the number of allowable alternative systems. The cost of the evaluation shall be paid by the department of education.

**Sec. 14. [SPECIAL EDUCATION AND SECONDARY VOCATIONAL REVENUE REPORT.]**

*Subdivision 1. By January 1, 1985, the commissioner of education shall report to the education committees of the legislature on recommendations for allocating revenue to all school districts on an equitable and appropriate basis for the purpose of providing special education and secondary vocational programs. In making recommendations, the commissioner shall consider cooperative incentive revenues available through the intermediate school district levies and the interdistrict cooperation aid and levy. The commissioner shall also review the adequacy of the existing special education and secondary vocational funding formulas. The commissioner shall also consider, but not be limited to, the following factors that may affect interdistrict cooperative efforts:*

- (1) types of programs being offered,*
- (2) type, number, and resident districts of students being served,*
- (3) size of the attendance area, and*
- (4) the extent to which various programs are integrated within each district or service area.*

*This report may include further evaluation of the report required pursuant to Laws 1983, chapter 314, article 7, section 49.*

*Subd. 2. The commissioner shall appoint an advisory committee to assist in the development of the report required in subdivision 1. The advisory committee shall be broadly representative of school districts, intermediate school districts, and cooperatives providing special education and secondary vocational services. The advisory committee shall expire January 1, 1985.*

**Sec. 15. [INDEPENDENT SCHOOL DISTRICT NOS. 524 AND 525; SPECIAL CONSOLIDATION PROVISIONS.]**

*Independent School District No. 524, Halstad, and Independent School District No. 525, Hendrum, as part of an agreement to consolidate according to Minnesota Statutes, section 122.23 or any other law, may agree to any of the following:*

- (a) election districts of the size and with the population desired by the consolidating districts; and*

(b) *election of school board members in any manner agreed upon, such as at large from a previously existing district or from the newly consolidated district, some members at large, some members from election districts, or some members from previously existing districts.*

*Election districts created pursuant to this agreement may be changed or altered in the manner provided in Minnesota Statutes, section 123.32, subdivision 15. To the extent Minnesota Statutes, section 122.23 or any other applicable law is inconsistent with this section, this section prevails.*

**Sec. 16. [REPORT ON VISION AND HEARING ASSESSMENT.]**

*By February 1, 1985, the departments of education and health shall report to the legislature on the assessment of pupils' vision and hearing. These departments shall cooperate with one another and submit a joint report. The report shall include a description of existing programs for screening and assessment of pupils, cost data on existing programs, evaluation of existing programs including cost analysis, and recommendations for improvement of existing programs or establishment of a new program to ensure that all pupils whose learning is affected by vision or hearing problems are identified, diagnosed, and treated.*

**Sec. 17 [INDEPENDENT SCHOOL DISTRICT NO. 271; SALE OF BUILDING.]**

*Notwithstanding Minnesota Statutes, sections 123.36, subdivision 13, 123.37, and 471.345, or any other law to the contrary, Independent School District No. 271, Bloomington, may sell a school building to a purchaser for cash, products, and services provided by the purchaser. Cash received from the purchaser remaining after payment of closing and relocation costs shall be used according to Minnesota Statutes, section 123.36, subdivision 13. The products and services shall consist of at least computer hardware, software, training, and related services as needed by the district. The products and services shall be provided to the district according to contractual terms for a period of time not to exceed five years.*

**Sec. 18. [FUND MERGER RECOMMENDATIONS.]**

*By January 1, 1985, the advisory council on uniform financial accounting and reporting standards shall make recommendations to the education committees of the legislature on the need for maintaining separate school district funds. The recommendations shall include consideration of merging the general fund and capital expenditure fund.*



Sec. 19. [DESEGREGATION VARIANCES.]

*Notwithstanding the 15 percentage points standard of 5 MCAR S 1.0621C., the commissioner shall, if the local board can justify an educational reason for a variance to the state board from the comprehensive school desegregation plan submitted, approve school desegregation plans that vary from the standard by up to an additional 15 percentage points. If the variance is approved by the commissioner, it may result in a school building exceeding 50 percent minority enrollment if necessary.*

Sec. 20. [REPEALER.]

*Minnesota Statutes 1982, section 125.60, subdivision 2a, is repealed.*

Sec. 21. [INSTRUCTION TO REVISOR.]

*Subdivision 1. The revisor of statutes shall include in subsequent editions of Minnesota Statutes, and edit as authorized by law, the uncoded permanent law relating to Intermediate School District Nos. 287, 916, and 917.*

*Subd. 2. The revisor of statutes shall change the provisions of 5 MCAR S 1.0625 to agree with section 19.*

Sec. 22. [EFFECTIVE DATE.]

*Pursuant to Minnesota Statutes, section 645.023, subdivision 1, clause (a), sections 15 and 17 are effective without local approval on the day following final enactment.*

## ARTICLE 8

### TECHNOLOGY AND EDUCATIONAL IMPROVEMENT

Section 1. Minnesota Statutes 1983 Supplement, section 121.601, is amended to read:

Subdivision 1. [ESTABLISHMENT.] The (DEPARTMENT) commissioner of education shall (ESTABLISH) maintain a program for providing in-service training to school district staff. (DURING THE FIRST YEAR, THE PROGRAM SHALL PROVIDE IN-SERVICE TRAINING TO ELEMENTARY AND SECONDARY STAFF IN MATHEMATICS, SCIENCE, AND SOCIAL SCIENCE. FOR) Each (SUCCEEDING) year (OF THE PROGRAM), the commissioner shall recommend to the legislature subject areas for (WHICH) in-service training programs (SHALL BE PROVIDED). In-service training programs shall (BE DESIGNED TO) emphasize the academic content of the subject area. They shall also offer a broad spectrum of experiences, including activities which require active participant involvement rather than classroom lectures.

To the extent possible, the in-service training programs shall be integrated with the technology in-service training provided according to sections 129B.34 and 129B.35.

*Subd. 2. [NEED ASSESSMENT AND PLANNING GRANTS.] The commissioner shall determine the needs of pupils for a subject area using the statewide assessment program, before making subject area recommendations to the legislature. The commissioner shall consult with teachers of the subject area to determine the needs of teachers.*

*Subd. 3. [INITIAL PROPOSALS AND PLANNING GRANTS.] The commissioner shall request initial proposals from eligible organizations and institutions. After reviewing the initial proposals, the commissioner may award up to 20 grants to develop proposals for final selection.*

**Subd. (2) 4. [FINAL PROPOSALS.] (GRANT) Final proposals (SUBMITTED BY ELIGIBLE APPLICANTS TO THE DEPARTMENT) shall include at least the following:**

(a) a variety of staff education activities which are designed to assess and upgrade (SKILLS) the subject matter knowledge of those attending the training programs;

(b) provisions for addressing the requirements for licensure for those staff who currently are not licensed in the designated areas but who desire to be so licensed;

(c) a plan for staff who participate in the training program to return to their school districts and provide training programs or disseminate information on in-service programs to other staff in their districts and regions;

(d) a process for notifying staff in the state who teach in the designated subject areas and who are eligible for the program, a process for selecting staff to participate in the in-service training program, and a mechanism for evaluation to be provided to the state board upon completion of the program;

(e) an estimated budget for the program, which shall provide for tuition expenses, related expenses including meals and lodging, and a stipend for participants in the program; and

(f) other information that may be requested by the department.

**Subd. (3) 5. [ELIGIBLE APPLICANTS.] The (DEPARTMENT) commissioner may (ALLOCATE MONEY) award grants to public or nonpublic institutions of higher edu-**

cation, public or private nonprofit organizations, educational cooperative service units, or school districts (FOR THE PURPOSE OF PROVIDING IN-SERVICE TRAINING ACCORDING TO THIS SECTION). When (APPROVING OR DISAPPROVING) *awarding* grants, the (DEPARTMENT) *commissioner* shall ensure geographic accessibility of the programs to teachers throughout the state and a balance of programs available in different subject areas.

Subd. (4) 6. [CONSULTATION.] When (MAKING GRANTS FOR THE IN-SERVICE TRAINING PROGRAMS ACCORDING TO THIS SECTION) *reviewing initial and final proposals*, the (DEPARTMENT) *commissioner* shall consult with elementary and secondary staff in the designated subject areas to ensure that proposals submitted incorporate recent research findings and address the retraining needs of staff in those subject areas.

Subd. (5) 7. [(PRIVATE) ADDITIONAL MONEY.] The commissioner (OF EDUCATION) may accept contributions from additional private or public sources to supplement state money (PROVIDED BY THIS SECTION). These contributions shall be added to the total amount of available state money and shall be administered (BY THE DEPARTMENT) in the same manner as state money.

(SUBD. 6. [FEDERAL MONEY.]) The commissioner (OF EDUCATION) shall apply for and accept all federal money available for in-service training programs in the designated subject areas.

Subd. (7) 8. [(APPLICATION) DATES.] (APPLICATIONS FOR IN-SERVICE TRAINING PROGRAMS TO BE CONDUCTED DURING A SCHOOL YEAR SHALL BE SUBMITTED TO THE DEPARTMENT BY JANUARY 15 PRECEDING THE BEGINNING OF THAT SCHOOL YEAR.) *The commissioner shall determine the dates by which initial and final proposals are to be submitted.* The (DEPARTMENT) *commissioner* shall (APPROVE OR DISAPPROVE APPLICATIONS) *award grants each year by* (THE FOLLOWING) March 1.

Sec. 2. Minnesota Statutes 1983 Supplement, section 121.608, is amended to read:

121.608 [INSTRUCTIONAL EFFECTIVENESS PLAN.]

(BY JANUARY 1, 1984,) The commissioner of education shall develop a comprehensive statewide plan for maintaining and improving instructional effectiveness in the schools. The plan shall encourage implementation of school effectiveness strategies based on research findings in the area, develop in-

service training models for school district staff, integrate developments in educational technology with classroom instruction models, and develop a mechanism for establishing a statewide network to coordinate and disseminate information on research in instructional effectiveness. The commissioner may employ consultants and specialists to assist in the development of the plan, and, to the extent possible, shall utilize the information provided by the planning, evaluation, and reporting process and the statewide assessment program. *The plan shall be revised as necessary.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 121.609, is amended to read:

121.609 [INSTRUCTIONAL EFFECTIVENESS TRAINING.]

Subdivision 1. [ADVISORY TASK FORCE; PROGRAM MODEL.] (BY JANUARY 1, 1984.) The commissioner of education shall appoint an advisory task force to assist the department of education, in cooperation with the educational cooperative service units, in developing an implementation model for training school district staff in instructional effectiveness. The training program model shall be based on established principles of instructional design and the essential elements of effective instruction as determined by educational research. The training program model shall take into account the diverse needs of the school districts due to such factors as district size and location, and shall be structured to facilitate regional delivery of the training through the educational cooperative service units.

Subd. 2. [PILOT TESTING OF TRAINING MODEL.] Between January 1, 1984, and (JANUARY 1) *June 30, 1985*, the commissioner shall administer a pilot program of the instructional effectiveness training models which shall be implemented in at least 20 pilot sites throughout the state. The advisory task force established in subdivision 1 of this section may recommend modifications in the training models as necessary.

Subd. 3. [EVALUATION AND REPORT.] The commissioner shall pay an independent evaluator to conduct an evaluation of the effectiveness of this section. (THE EVALUATOR SHALL SUBMIT A REPORT) *A preliminary evaluation, including a sample survey of district personnel trained at the pilot sites, (TO THE COMMISSIONER) shall be completed by January 1, 1985.*

*The commissioner, with the assistance of the advisory task force, shall develop a long-term evaluation instrument for use at the pilot sites and other districts utilizing the instructional effectiveness models. The long-term evaluation instrument shall include a method for measuring student achievement.*

*Subd. 4. [REGIONAL SERVICES.] The department of education shall contract with educational cooperative service units or other regional educational service agencies to provide assistance to the school districts in an educational cooperative service unit region in implementing instructional effectiveness models. In selecting an agency to provide assistance to the school districts, the department shall consider such factors as support of the proposal by the participating school districts and the extent to which the proposal provides for participation by school district staff. If more than one agency submits a proposal to provide services to school districts within an educational cooperative service unit region, the department shall encourage the agencies to develop a joint proposal.*

*Subd. 5. [INSTRUCTIONAL EFFECTIVENESS TRAINING.] Utilizing the statewide plan developed pursuant to section 121.608 and the regional support services authorized in subdivision 4, the department of education shall provide instructional effectiveness training for school district staff. The training shall be provided by building level leadership teams, as defined in the statewide plan developed pursuant to section 121.608. The training shall include clarification of individual school goals and expectations, enhancement of collaborative planning and collegial relationships among the building staff, improvement of instructional skills and instructional climate of the school, and planning of staff development programs.*

Sec. 4. Minnesota Statutes 1982, section 123.74, is amended to read:

123.74 [(POLICY) FINDINGS.]

The legislature finds that a process for curriculum evaluation and planning is needed for continued improvement of the educational program for all public school children in the state, and to allow for better evaluation of educational programs by local communities. The legislature further finds that such a process is needed to facilitate decisions by school boards and communities as to which services can best be provided by the public schools and which services can or should be provided by other institutions such as the family, the private sector or other public agencies. *The legislature further finds that efficient use of educational resources is needed with regard to educational technology and interdistrict cooperation.*

Sec. 5. Minnesota Statutes 1982, section 123.741, as amended by Laws 1983, chapter 314, article 8, section 9, is amended to read:

123.741 [(EDUCATION POLICY; CURRICULUM ADVISORY COMMITTEES) PLANNING, EVALUATION, AND REPORTING PROCESS.]

Subdivision 1. The school board of each school district in the state shall (DEVELOP AND) adopt a written (EDUCATIONAL) *planning, evaluation, and reporting* policy which establishes (EDUCATIONAL) *instructional goals and measurable learner objectives* for the district, a process for achieving these goals, and procedures for evaluating and reporting progress toward the goals. These goals shall include meeting the curriculum requirements adopted by the state board of education. The school board shall review this policy each year and (ADOPT REVISIONS WHICH IT DEEMS DESIRABLE) *identify annual instructional goals and measurable learner objectives to be addressed during the current school year*. School boards are encouraged to develop this school district policy and any revisions after consultation with the staff of each school building. In formulating the policy, the school board of a district is encouraged to consider: (a) the number of dropouts of school age in the district and the reasons for the dropouts; (b) existing programs within the district for dropouts and potential dropouts and (c) program needs of dropouts and potential dropouts.

Subd. 2. (THE SCHOOL BOARD SHALL INSTRUCT THE ADMINISTRATIVE AND PROFESSIONAL STAFF OF THE DISTRICT TO DEVELOP AN INSTRUCTIONAL PLAN FOR THE PURPOSE OF IMPLEMENTING THE GOALS ESTABLISHED IN THE DISTRICT EDUCATIONAL POLICY WITHIN RESOURCES AVAILABLE TO THE DISTRICT. INsofar AS POSSIBLE THE INSTRUCTIONAL PLAN SHALL INCLUDE MEASURABLE INSTRUCTIONAL OBJECTIVES TO ASSIST IN DIRECTING AND MEASURING PROGRESS TOWARD THE GOALS ESTABLISHED IN THE DISTRICT EDUCATIONAL POLICY. FOR GOALS TOWARD WHICH PROGRESS IS NOT EASILY MEASURABLE, THE INSTRUCTIONAL PLAN SHALL INCLUDE OTHER APPROPRIATE MEANS TO DIRECT AND EVALUATE PROGRESS)

*The school board shall instruct the administrative and professional staff of the district to develop an instructional plan for the purpose of implementing the instructional goals established in the district planning, evaluation, and reporting policy within the resources available to the district. To the extent possible, the instructional plan shall include instructional effectiveness processes developed pursuant to section 121.608 and integration of curriculum and technology developed under section 129B.33, to assist in directing and measuring progress toward the instructional goals established in the district planning, evaluation, and reporting policy. For instructional goals toward which progress is not easily measurable, the instructional plan shall include other appropriate means to direct and evaluate progress.*

Subd. 3. Each school board (IS ENCOURAGED TO APPOINT) shall establish a curriculum advisory committee to provide for active community participation in the process of developing and revising the district (EDUCATIONAL) planning, evaluation, and reporting policy, developing the instructional plan identifying the annual instructional goals and measurable learner objectives, evaluating progress, and reporting to the public. The advisory committee shall be broadly representative of the community served by the school district and shall include teachers, parents, and other residents of the district.

Subd. 4. Each year a final evaluation of progress shall be conducted, including both professional and consumer evaluations. The professional staff evaluation shall utilize test results and may include other performance data along with faculty interpretations and judgments. Test results shall include local assessment data obtained pursuant to section 6, subdivision 2. A consumer evaluation shall be conducted and may include the opinions of students, parents (AND), or other residents of the (COMMUNITY SERVED BY THE) school district.

Subd. 5. Upon (RECEIPT) completion of the annual evaluation (REPORTS, EACH) the school board shall review the results (AND DEVELOP) and adopt appropriate school district improvement plans (TO IMPROVE AREAS WHERE GOALS OF THE DISTRICT EDUCATIONAL POLICY HAVE NOT BEEN MET). The school district improvement plans shall describe actions to be taken by the district to correct any weakness evident from the results of the district evaluation process.

Subd. (5) 6. (THE DISTRICT EDUCATIONAL POLICY, THE REPORTS OF THE ANNUAL EVALUATION INCLUDING SUMMARY TEST RESULTS, AND THE PLANS FOR SCHOOL IMPROVEMENT SHALL BE MADE AVAILABLE TO THE CITIZENS OF THE SCHOOL DISTRICT THROUGH MEDIA RELEASES AND OTHER MEANS OF COMMUNICATING WITH THE PUBLIC. THESE DOCUMENTS) By September 1 of each year, the local school board shall adopt a report which shall include the following:

(a) annual instructional goals which were addressed for that year in the planning, evaluation, and reporting process;

(b) appropriate evaluation of the annual instructional goals and measurable learner objectives;

(c) the results of the professional staff evaluation including local assessment data obtained pursuant to section 6, subdivision 2, and any additional appropriate test data;

(d) the results of the consumer evaluation;

- (e) *the annual school district improvement plans; and*
- (f) *a biennial report of the district's review of the district-wide testing program.*

*The school board shall disseminate the report to the residents of the district by publication in the local newspaper with the largest circulation in the district or through the United States postal service. The report shall (ALSO) be on file and available for inspection by the public. A (INFORMATION COPIES) copy of the (REPORTS) report which is disseminated to the community shall be sent to the (STATE BOARD OF EDUCATION) commissioner of education by September 1 of each year. All activities and reports pursuant to this section shall comply with chapter 13, and any other law governing data on individuals in school districts.*

*Subd. 7. [BIENNIAL REVIEW; ASSESSMENT PROGRAM.] Beginning in the 1984-1985 school year, at least once every two years the school board shall review the district-wide testing program, using the following criteria:*

- (a) *written objectives of the testing program;*
- (b) *names of tests and grade levels tested; and*
- (c) *utilization of test results.*

Sec. 6. Minnesota Statutes 1982, section 123.742, as amended by Laws 1983, chapter 258, section 26, is amended to read:

**123.742 [ASSISTANCE TO LOCAL SCHOOL DISTRICTS; ASSESSMENT PROGRAMS.]**

**Subdivision 1. [TECHNICAL ASSISTANCE.]** Insofar as possible, the (STATE BOARD) department of education and educational cooperative service units shall make technical assistance for planning and evaluation available to school districts upon request. The department shall collect the annual evaluation reports from local districts as provided in section 123.741, subdivision 5, and shall make this data available upon request to any district seeking to use it for purposes of comparisons of student performance.

**Subd. 2. [LOCAL ASSESSMENT PROGRAM.]** *Beginning in the 1984-1985 school year, as part of the planning, evaluating, and reporting process, each school district shall conduct an assessment program, utilizing the local assessment option developed by the state department of education. Every year each school district shall conduct an assessment for at least one curriculum area in at least three grade levels.*



*Subd. 3. [PARTICIPATION IN STATEWIDE ASSESSMENT PROGRAM.] Beginning in the 1984-1985 school year, each school district shall participate in the statewide assessment sampling process at least once every three years to provide normative data. The department of education shall determine which districts shall participate and which curriculum areas shall be assessed in a given school year.*

*Subd. 4. [NEEDS OF HANDICAPPED PUPILS.] School boards are encouraged to consider the needs of handicapped students in determining the extent of their participation in the assessment programs in subdivisions 2 and 3. The district policy may provide for modifications in the testing procedures for handicapped students.*

*Subd. 5. [ASSESSMENT ITEM BANK.] The department of education may develop an assessment item bank for the purpose of providing assessment programs to individual districts which are tailored to the specific educational objectives of the district. Beginning in the 1984-1985 school year and each year thereafter, the department shall develop an item bank for at least two curriculum areas each year. The department shall develop an item bank for at least ten different curriculum areas.*

*Subd. 6. [ADDITIONAL TESTING.] The department upon written agreement with local school districts may perform additional testing and evaluation of students. The department may collect a reasonable fee not to exceed the actual cost of services.*

*Subd. (3) 7. [CURRICULUM INFORMATION.] The department may provide available curriculum information for improving teaching practices at public elementary, secondary and post-secondary vocational schools. The information may be provided upon the request of a school district or an educational cooperative service unit with which the department has a written agreement. The department may collect reasonable fees not to exceed its actual costs for this service. The department may also accept money from any public or private source to defray the cost of this service.*

*Subd. (4) 8. [CAREER INFORMATION.] The department of education may provide career information to school districts and educational systems. The department may collect reasonable fees for subscriptions to the Minnesota career information service.*

Sec. 7. Minnesota Statutes 1983 Supplement, section 123.743, is amended to read:

123.743 [APPROPRIATION.]

There is annually appropriated from the general fund to the department of education any and all amounts received by the

department pursuant to section 123.742, subdivisions (2) 5, (3) 6, and (4) 7.

Sec. 8. [123.7431] [AID FOR PLANNING, EVALUATION, AND REPORTING PROCESS.]

*Subdivision 1. [ELIGIBILITY.] Each school district which completes the planning, evaluation, and reporting process pursuant to the requirements of sections 123.741 and 123.742 and which receives approval from the commissioner of education is eligible to receive state aid. An eligible school district shall receive \$1 times average daily membership for the applicable school year. No district which is eligible for aid shall receive less than \$1,500.*

*Subd. 2. [PAYMENT OF AID.] The department of education shall pay aid to a district within 30 days of approving the district's planning, evaluation, and reporting process.*

Sec. 9. Minnesota Statutes 1983 Supplement, section 129B.32, subdivision 3, is amended to read:

*Subd. 3. [COURSEWARE PACKAGE.] "Courseware package" means integrated videotape and videodisk, computer disk, and software and its supporting materials, such as workbooks and textbooks, and other computer support hardware that is an integral part of an educational software package, such as a printed circuit board, voice synthesizer which enables speech production and its speaker, tap master, valve simulator, and digital to analog converter board. It does not mean a central processing unit, disk drive, video monitor, printer, or similar items.*

Sec. 10. Minnesota Statutes 1983 Supplement, section 129B.36, is amended by adding a subdivision to read:

*Subd. 1a. By May 31, 1984, the state board shall designate additional technology demonstration sites. The sites shall be selected in accordance with the criteria in subdivisions 2 and 3 of this section and shall be selected from the applications submitted in accordance with subdivision 4 of this section.*

Sec. 11. Laws 1983, chapter 314, article 8, section 23, is amended to read:

Sec. 23. [RULEMAKING ON CURRICULUM.]

*Subdivision 1. By September (1) 30, 1984, the state board of education shall adopt rules pursuant to chapter 14, establishing (ELEMENTARY AND) secondary curriculum requirements which will ensure that a minimum comprehensive educational program is available to all public secondary school stu-*

dents in the state. The *secondary curriculum* rules adopted by the state board shall be effective beginning in the 1985-1986 school year.

*Subd. 2. By September 1, 1985, the state board of education shall adopt rules pursuant to chapter 14 establishing elementary curriculum requirements which will ensure that a minimum comprehensive educational program is available to all public elementary school students in the state. The elementary curriculum rules adopted by the state board shall be effective beginning in the 1986-1987 school year.*

Sec. 12. [SHARED FACILITIES REPORT.]

*The commissioner of education shall collect information on and evaluate methods for sharing public school facilities with other organizations including government agencies, social service agencies, and other nonprofit and for-profit organizations. By January 1, 1985, the commissioner shall prepare a written report and make it available in published form to school districts and other interested persons. In developing this report the commissioner shall consult with persons in school districts in Minnesota and other states that are sharing facilities.*

Sec. 13. [RESEARCH AND DEVELOPMENT GRANTS.]

*Subdivision 1. [PURPOSE.] The purpose of this section is to support research on alternative educational structures and practices within the state's public schools and to develop alternatives that are based on research.*

*Subd. 2. [RESEARCH AND DEVELOPMENT SUBJECTS.] The commissioner of education shall select subjects for research and development focusing on institutional changes intended to improve education at the elementary and secondary levels. The subjects may include, but are not limited to, the following:*

- (1) school site management;*
- (2) development of individualized education plans for all students;*
- (3) alternative staff compensation plans;*
- (4) alternative educational delivery systems;*
- (5) outcome based education; and*
- (6) provision of educational programs in school districts by contracting with professional partnerships composed of licensed teachers.*

*Subd. 3. [ADVISORY TASK FORCE.] The commissioner of education shall appoint an advisory task force on research and development for institutional change. The advisory task force shall include at least 11 members. All members shall have knowledge and experience in educational research, educational administration, or teaching. The advisory task force shall assist the commissioner in carrying out the commissioner's responsibilities under this section. The terms, compensation, and removal of members shall be governed by the provisions of section 15.059, subdivision 6.*

*Subd. 4. [PRELIMINARY STUDIES.] The commissioner shall contract for preliminary studies to assist the commissioner in establishing research and development needs and selecting subjects for proposals. Preliminary studies shall include recommendations for evaluation procedures which the commissioner may use if the commissioner issues a grant for research and development in that particular subject.*

*Subd. 5. [REPORT TO LEGISLATURE; TOPICS.] By February 1, 1985, the commissioner shall report to the legislature on the research needs that the commissioner has identified, the recommended topics for proposals, and the potential need for changes in rules and laws to facilitate the research and development projects. The report shall include specific proposals for evaluation of research and development projects which will be funded under the provisions of this section. The legislature shall consider the recommendations of the commissioner in determining the appropriation for research grants to be disbursed under the provisions of this section.*

*Subd. 6. By June 1, 1985, the commissioner shall request proposals on three to six research and development subjects. Each request for proposals shall state the means by which the commissioner intends to evaluate the research and development project upon its completion. By September 1, 1985, the commissioner shall review the proposals it receives and select proposals for funding.*

*Subd. 7. [REPORT TO LEGISLATURE; RESEARCH REPORTS.] By February 1, 1988, the commissioner shall report to the legislature. The report shall include the commissioner's evaluation of each research and development project, recommendations for institutional changes in the structure of elementary and secondary education, and recommendations for other ways of improving elementary and secondary education.*

#### Sec. 14. [STUDY OF TEACHER EDUCATION.]

*Subdivision 1. [HIGHER EDUCATION COORDINATING BOARD.] The higher education coordinating board shall conduct a study, in cooperation with the board of teaching, of teach-*

*er education programs in public and private institutions of higher education. The study shall result in a report and recommendations on the number, enrollment, mission, and location of all teacher education programs. The report shall include information and recommendations on the need for in-service education and the relationship of in-service, preservice, and graduate education. It shall also include information and recommendations for improving the quality and efficiency of teacher education programs by the use of standardized tests for beginning teachers, alternative methods of teacher preparation and licensure, and other means. The report shall be submitted to the education committees of the legislature by January 1, 1985.*

*Subd. 2. [FACTORS.] In developing its recommendations, the higher education coordinating board shall consider factors including, but not limited to:*

- (a) the existing pool of licensed but inactive teachers;*
- (b) the demand for teachers in preschool, elementary, and secondary education;*
- (c) the number of teacher education programs and the annual number of graduates;*
- (d) admission criteria for teacher education programs;*
- (e) access of students to special or unique programs;*
- (f) procedures for licensing qualified, unlicensed individuals;*
- (g) the feasibility of modifying state criteria for teacher licensure;*
- (h) teacher preparation and licensure procedures in other states;*
- (i) available information about the use and effectiveness of standardized tests for beginning teachers; and*
- (j) possible alternative methods for licensure such as an undergraduate degree in a subject area plus an extended internship program.*

**Sec. 15. [COOPERATION OF BOARDS AND INSTITUTIONS.]**

*All higher education governing boards and public and private institutions are requested to cooperate fully with the higher education coordinating board in the preparation of the teacher education study, pursuant to section 136A.05.*

**Sec. 16. [SUSPENSION ON LICENSE RULES.]**

*The board of teaching shall not adopt any new or amended rules relating to licensing teachers until July 1, 1985.*

**Sec. 17. [SPECIAL EDUCATION: EARLY CHILDHOOD RULES.]**

*Subdivision 1. Colleges and universities which offer approved special education: early childhood programs shall, upon request of the state board of teaching, update their description of assessment of previous teaching experience and previous teacher preparation as required by 5 MCAR S 3.0902. The board of teaching shall suspend application of 5 MCAR S 3.0902B.6 for teachers who provide evidence to the board of teaching of two years of teaching experience in a special education: early childhood program setting, as verified by the employing district superintendent.*

*Subd. 2. [REVIEW.] The board of teaching shall establish a review panel to review any disputes between the teacher and the institution relating to the assessment of previous teaching experience and previous teacher preparation. The review panel shall consist of two licensed practitioners in the special education: early childhood field; one special education: early childhood specialist in the department of education, and one faculty member from a higher education institution offering an approved special education: early childhood program. The decision of the review panel shall be final.*

*Subd. 3. [PROVISIONAL LICENSES.] All persons currently holding a provisional license in special education: early childhood, pursuant to 5 MCAR 3.0902D which is due to expire on July 1, 1984, may request an extension of the provisional license which shall be valid until July 1, 1985. They shall submit the requests to the personnel licensing section of the department of education.*

**Sec. 18. [SCHOOL MANAGEMENT TASK FORCE.]**

*Subdivision 1. [ESTABLISHMENT.] The commissioner of education shall appoint a task force to make recommendations about an assessment center and in-service training for principals and assistant principals. The task force shall consist of 15 members. Two members shall be from the elementary principals association, and two members shall be from the secondary school principals association. One member shall represent the educational cooperative service units. One member shall be from each of the following organizations: Minnesota association of school administrators, Minnesota school boards association, administrative women in education, Minnesota federation of teachers, and*

*Minnesota education association. The commissioner shall appoint a member from the University of Minnesota or from another institution with a teacher preparation program, or both. Members of the task force shall receive expenses in the same manner and amount as state employees. The task force shall terminate on January 1, 1986.*

*Subd. 2. [DUTIES.] The task force shall make recommendations to the commissioner of education about the types of in-service training that are needed and how to provide effective in-service training for principals. The task force shall also make recommendations to the commissioner about an assessment center, including the location, costs of operation, staffing, manner of operation, services to be provided, fees for school districts, and other matters.*

**Sec. 19. [INCREASE IN COMPLEMENT.]**

*To implement the provisions of section 18, the department of education may increase its complement by two positions: one education specialist II, and one clerical support position. The positions are in the classified service of the state civil service.*

**Sec. 20. [DEADLINE FOR EXPERIENCE FOR MIDDLE SCHOOL LICENSE.]**

*The deadline for a licensed elementary or secondary teacher to gain the three years' Minnesota middle school teaching experience necessary to be issued a middle school teaching license, upon application, under Minnesota Rules, part 8700.3400, subparts 11 and 12, is extended from July 1, 1983, to July 1, 1984.*

**Sec. 21. [REVISOR TO CONFORM RULE.]**

*The revisor of statutes shall change Minnesota Rules, part 8700.3400, subparts 11 and 12, to agree with the extension made by section 20.*

**Sec. 22. [DEPARTMENT OF EDUCATION APPROPRIATIONS.]**

*Subdivision 1. There is appropriated from the general fund to the department of education the sums indicated in this section. The sums are available until June 30, 1985.*

*Subd. 2. [SUBJECT AREA IN-SERVICE TRAINING.] The sum of \$270,000 is appropriated for subject area in-service training, according to section 121.601. This appropriation is in addition to the \$500,000 appropriated to provide subject area in-service training by Laws 1983, chapter 314, article 8, section 26, subdivision 2.*

(a) Of the sum, \$210,000 shall be used for grants for in-service training in the following:

Math .....	\$ 65,000
Science .....	\$105,000
Social Studies .....	\$ 40,000

The in-service training shall emphasize academic content in each of the subject areas. The grants shall be in addition to those awarded in fiscal 1984.

(b) The remaining \$60,000 shall be for the department to assess future needs for subject area in-service training and for planning grants. The assessment and planning grants shall emphasize the academic content of the subject area.

Subd. 3. [INSTRUCTIONAL EFFECTIVENESS; EVALUATION INSTRUMENT.] The sum of \$250,000 is appropriated for the development of the training models specified in section 121.609, subdivision 4, as amended, and for the development of a long-term evaluation instrument pursuant to section 121.609, subdivision 3.

Subd. 4. [INSTRUCTIONAL EFFECTIVENESS; REGIONAL SERVICES.] The sum of \$330,000 is appropriated for the purposes of section 121.609, subdivision 4, as amended. The department shall allocate this appropriation to the educational cooperative service unit regions based on a formula that takes into account the number of school buildings, number of participating staff, and geographic distance between the service provider and the participating school districts. Any educational cooperative service unit or other provider agency receiving funds pursuant to this section shall match the funds with an amount equal to 25 percent of the allocation.

Subd. 5. [INSTRUCTIONAL EFFECTIVENESS; TRAINING.] The sum of \$250,000 is appropriated for the purposes of section 121.609, subdivision 5, as amended. This amount shall be used to pay for the costs of providing instructional effectiveness training to school district staff, including the costs of stipends or substitute teachers.

Subd. 6. [INSTRUCTIONAL EFFECTIVENESS; COMPLEMENT.] The sum of \$70,000 is appropriated for the purposes of increasing the complement in the instructional effectiveness program by two positions.

Subd. 7. [SHARED FACILITIES REPORT.] The sum of \$10,000 is appropriated for the purposes of preparing a report on methods for sharing public school facilities.



**Subd. 8. [RESEARCH AND DEVELOPMENT GRANTS.]** *There is appropriated from the general fund to the department of education for the biennium ending June 30, 1985, the sum of \$150,000 for the research and development grant program authorized in section 13. No more than \$80,000 of this appropriation shall be used for staff expenses. The department of education may increase its authorized complement until June 30, 1985, by one professional and one clerical position to provide support for the grant program. At least \$50,000 of this appropriation shall be used for contracts for preliminary studies.*

**Subd. 9. [SCHOOL MANAGEMENT.]** *The sum of \$25,000 is appropriated for school management. Of this sum \$10,000 is for the school management task force. The remaining \$15,000 is to be used by the commissioner of education for initial administrative costs in establishing an assessment center.*

**Subd. 10. [LOCAL ASSESSMENT PROGRAM.]** *The sum of \$575,000 is appropriated for fiscal year 1985 for the purposes of implementing the requirements of section 6, subdivision 2. The department may use up to \$200,000 of the appropriation for initial costs of establishing the program and up to \$150,000 to increase the staff complement in the assessment division.*

**Subd. 11. [DEVELOPMENT OF TEST ITEM BANK.]** *The sum of \$320,000 is appropriated for fiscal year 1985 for the purposes of section 6, subdivision 5. The department may use up to \$80,000 of the appropriation to increase the staff complement in the assessment division.*

**Subd. 12. [PLANNING, EVALUATION, AND REPORTING PROCESS.]** *The sum of \$1,020,000 is appropriated for fiscal year 1985 for the purposes of section 8.*

**Subd. 13. [TECHNOLOGY DEMONSTRATION SITES.]** *The sum of \$375,000 is appropriated to make the grants pursuant to section 10.*

**Sec. 23. [HECB APPROPRIATION.]**

*The sum of \$20,000 is appropriated from the general fund to the higher education coordinating board to conduct a study of teacher education programs. A portion of this sum may be used for consultants. The sum shall be available until June 30, 1985.*

**Sec. 24. [EFFECTIVE DATE.]**

*Sections 1 to 23 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; modifying the foundation aid formula; granting certain powers and duties to school boards, school districts, the state board of education, the commissioner of education, the department of education, the state board of vocational-technical education, the state director of vocational-technical education, the higher education coordinating board, and others; providing for an equalized summer school aid and levy; increasing the community education aid and levy; modifying the vocational instructional aid payment formula; establishing a schools of excellence program; requiring an arts education study; expanding in-service and instructional effectiveness training programs; improving the planning, evaluation, and reporting process; establishing assessment programs; establishing a research and development grant program; appropriating money; amending Minnesota Statutes 1982, sections 121.908, by adding a subdivision; 121.935, subdivisions 2 and 6; 121.936, subdivision 1; 122.532, by adding a subdivision; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.19, by adding a subdivision; 124.20; 124.201, subdivision 1; 124.214, subdivision 1; 124.565, subdivision 7; 136A.02, subdivision 6; 275.125, by adding subdivisions; 465.721; 471.61, subdivisions 1 and 2a; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 9, and 10; 124.201, subdivisions 2, 4, and 5; 124.2122; 124.2126, subdivision 3; 124.2138; 124.271, subdivision 2b; 124.5615, subdivision 5; 124.5629; 124A.06, subdivision 1; 124A.12, subdivision 1; 124A.14, subdivision 1; 124A.16, subdivision 4; 125.032, subdivision 2; 129B.32, subdivision 3; 129B.36, by adding a subdivision; 136C.04, by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, and 11c; 298.28, subdivision 1; 466.06; 475.61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 7, section 45; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121, 123, 124, and 136C; repealing Minnesota Statutes 1982, sections 124.201, as amended; 124.32, subdivisions 1a, 1e, and 2a; 125.60, subdivision 2a; and 275.125, subdivision 2g; and Minnesota Statutes 1983 Supplement, sections 124.32, subdivision 5a; and 275.125, subdivisions 2i and 2j."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1401, A bill for an act relating to workers' compensation; providing coverage for ambulance drivers and attendants; amending Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1422, A bill for an act relating to corporations; regulating corporate take-overs; requiring certain disclosures; providing certain limitations on offerors; prescribing suspension powers of the commissioner; providing a hearing; regulating control share acquisitions of Minnesota business corporations; defining terms; prescribing penalties; amending Minnesota Statutes 1982, sections 80B.01; 80B.03, subdivisions 1, 2, and 5, and by adding subdivisions; 80B.05; 80B.06; 80B.07; 80B.08; 80B.10; 302A.011, by adding subdivisions; 302A.449, by adding a subdivision; 302A.461, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 302A; repealing Minnesota Statutes 1982, sections 80B.02; 80B.03, subdivisions 3 and 4; and 80B.12, subdivisions 1 and 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [LEGISLATIVE INTENT.]

*Subdivision 1. [FINDINGS.] The legislature finds that take-overs, particularly hostile take-overs:*

*(1) exaggerate the tendency of many businesses to focus on short-term performance to the detriment of such long-term societal interests as increased research and development, improved productivity, and the modernization of physical plant and employee capabilities;*

*(2) are often inconsistent with the economic interests of shareholders;*

*(3) in many instances threaten the jobs and careers of Minnesota citizens and undermine the ethical foundations of com-*

*panies, as when jobs are eliminated and career commitments to employees are breached or ignored;*

*(4) often result in plant closings or consolidations that damage communities dependent on the jobs and taxes provided by these plants;*

*(5) not infrequently wipe out long-standing customer/supplier relationships and the stability and continuity which these relationships provide throughout society;*

*(6) frequently tie up billions of dollars of scarce capital that could be more effectively applied;*

*(7) all too often stifle, and ultimately destroy, the entrepreneurial, innovative spirit of creative individuals in independent firms; and*

*(8) are usually conducted in an atmosphere and pursuant to laws that do not provide a reasonable opportunity for affected parties to make informed decisions.*

*Subd. 2. [PURPOSES.] The purposes of sections 1 to 18 are to:*

*(1) assure that the impacts of take-overs on all affected constituencies are identified and disclosed prior to the consummation of these transactions;*

*(2) provide to shareholders both necessary information and the opportunity to thus cast fully informed votes on any take-over transactions;*

*(3) encourage reasoned decision-making by assuring equal financial treatment of all shareholders similarly situated at the time any take-over attempt is initiated; and*

*(4) amend Minnesota Statutes, chapters 80B and 302A to conform with requirements suggested by decisions of the Supreme Court of the United States.*

*Sec. 2. Minnesota Statutes 1982, section 80B.01, is amended to read:*

*80B.01 [DEFINITIONS.]*

*Subdivision 1. When used in sections 80B.01 to 80B.13, unless the context otherwise requires, the following words shall have the meanings herein ascribed to them.*

*Subd. 2. "Affiliate" of a person means any person controlling, controlled by, or under common control with such person.*

Subd. 3. "Associate" of a person means any person acting jointly or in concert with such person for the purpose of acquiring, holding or disposing of, or exercising any voting rights attached to the equity securities of an issuer.

Subd. 4. "Commissioner" means the commissioner of (SECURITIES AND REAL ESTATE) *commerce*.

Subd. 5. "Equity security" means any stock or similar security; or any security convertible, with or without consideration, into such a security; or carrying any warrant or right to subscribe to or purchase such a security; or any such warrant or right; or any other security which the commissioner shall deem to be of similar nature and consider necessary or appropriate, by such rules as he may prescribe in the public interest and for the protection of investors, to treat as an equity security.

Subd. 6. "Offeror" means a person who makes or in any way participates in making a take-over offer. Offeror does not include any bank or broker-dealer loaning funds to an offeror in the ordinary course of its business, or any bank, broker-dealer, attorney, accountant, consultant, employee, or other person furnishing information or advice to or performing ministerial duties for an offeror, and not otherwise participating in the take-over offer.

Subd. 7. "Offeree" means the beneficial owner, *residing in Minnesota*, of equity securities which an offeror offers to acquire in connection with a take-over offer.

Subd. 8. "Take-over offer" means the offer to acquire any equity securities of a target company *from a resident of this state* pursuant to a tender offer or request or invitation for tenders, if after the acquisition of all securities acquired pursuant to the offer *either (1) the offeror would be directly or indirectly a beneficial owner of more than ten percent of any class of the outstanding equity securities of the target company; or (2) the beneficial ownership by the offeror of any class of the outstanding equity securities of the target company would be increased by more than five percent. Clause (2) does not apply if after the acquisition of all securities acquired pursuant to the offer, the offeror would not be directly or indirectly a beneficial owner of more than ten percent of any class of the outstanding equity securities of the target company.* Take-over offer does not include:

(a) (AN OFFER TO PURCHASE SECURITIES WHICH ARE CURRENTLY PUBLICLY TRADED FROM OR THROUGH A BROKER-DEALER AT THE CURRENT MARKET PRICE;)

((B)) An offer to exchange the securities of one issuer for the securities of another issuer, if the offer is registered (OR EXEMPT FROM REGISTRATION) under chapter 80A (AND REGISTERED OR EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933;)

((C)) AN OFFER AS TO WHICH THE TARGET COMPANY, ACTING THROUGH ITS BOARD OF DIRECTORS, RECOMMENDS ACCEPTANCE TO ITS STOCKHOLDERS, IF THE OFFER IS MADE TO ALL STOCKHOLDERS ON SUBSTANTIALLY EQUAL TERMS);

((D)) *(b)* An offer (WHICH, IF ACCEPTED BY ALL OFFEREES, WILL NOT RESULT IN THE OFFEROR HAVING ACQUIRED MORE THAN TWO PERCENT OF THE SAME CLASS OF EQUITY SECURITIES OF THE ISSUER WITHIN THE PRECEDING 12 MONTH PERIOD) *in connection with the acquisition of a security which, together with all other acquisitions by the offeror of securities of the same class of equity securities of the issuer, would not result in the offeror having acquired more than two percent of this class during the preceding 12-month period;*

((E)) *(c)* An offer by the issuer to acquire its own equity securities;

((F)) ANY OFFER WHICH THE COMMISSIONER, BY RULE OR ORDER, SHALL EXEMPT FROM THE DEFINITION OF "TAKE-OVER OFFER" AS NOT BEING ENTERED INTO FOR THE PURPOSE OF, AND NOT HAVING THE EFFECT OF, CHANGING OR INFLUENCING THE CONTROL OF THE ISSUER OR OTHERWISE AS NOT COMPREHENDED WITHIN THE PURPOSES OF SECTIONS 80B.01 TO 80B.13.)

*(d)* An offer in which the target company is an insurance company subject to regulation by the commissioner, a financial institution regulated by the commissioner, or a public service utility subject to regulation by the public utilities commission.

Subd. 9. "Target company" means an issuer of *publicly traded equity securities* ((A)) which (IS ORGANIZED UNDER THE LAWS OF THIS STATE OR) has (ITS PRINCIPAL OFFICE IN THIS STATE; (B) WHICH HAS A SUBSTANTIAL PORTION OF ITS ASSETS LOCATED IN THIS STATE; (C) WHOSE EQUITY SECURITIES OF ANY CLASS ARE, OR WITHIN THE PAST TWO YEAR PERIOD HAVE BEEN, REGISTERED UNDER CHAPTER 80A; AND (D) WHOSE EQUITY SECURITIES ARE THE SUBJECT OF A TAKE-OVER OFFER) *at least 20 percent of its equity securities beneficially held by residents of this state and has substantial assets in this state. For the purposes of this chapter,*

*an equity security is publicly traded if a trading market exists for the security at the time the offeror makes a take-over offer for the security. A trading market exists if the security is traded on a national securities exchange, whether or not registered pursuant to the Securities Exchange Act of 1934, or the over-the-counter market.*

*Subd. 10. "Beneficial owner" includes, but is not limited to, any person who directly or indirectly through any contract, arrangement, understanding, relationship, or otherwise has or shares the power to vote or direct the voting of a security and/or the power to dispose of, or direct the disposition of, the security. "Beneficial ownership" includes, but is not limited to, the right, exercisable within 60 days, to acquire securities through the exercise of options, warrants, or rights or the conversion of convertible securities, or otherwise. The securities subject to these options, warrants, rights, or conversion privileges held by a person shall be deemed to be outstanding for the purpose of computing the percentage of outstanding securities of the class owned by this person, but shall not be deemed to be outstanding for the purpose of computing the percentage of the class owned by any other person. A person shall be deemed the beneficial owner of securities beneficially owned by any relative or spouse or relative of the spouse residing in the home of this person, any trust or estate in which this person owns ten percent or more of the total beneficial interest or serves as trustee or executor, any corporation or entity in which this person owns ten percent or more of the equity, and any affiliate or associate of this person.*

Sec. 3. Minnesota Statutes 1982, section 80B.03, subdivision 1, is amended to read:

Subdivision 1. It is unlawful for any person to make a take-over offer (INVOLVING A TARGET COMPANY IN THIS STATE,) or to acquire any equity securities (OF THE TARGET COMPANY) pursuant to the offer, unless the offer is effective under sections 80B.01 to 80B.13 (OR IS EXEMPTED BY RULE OR ORDER OF THE COMMISSIONER. BEFORE A TAKE-OVER OFFER BECOMES EFFECTIVE UNDER SECTIONS 80B.01 TO 80B.13,). A take-over offer is effective when the offeror files with the commissioner a registration statement containing the information prescribed in section 80B.03, subdivision 6. The offeror shall (FILE WITH THE COMMISSIONER A REGISTRATION STATEMENT CONTAINING THE INFORMATION PRESCRIBED IN SECTION 80B.02, AND SHALL SEND) deliver a copy of the registration statement by certified mail to the target company at its principal office and publicly disclose the material terms of the proposed offer, not later than the date of filing of the registration statement. Public disclosure shall require, at a minimum, that a copy of the registration statement be supplied to all broker-dealers maintaining an office in this state currently quoting the security.

Sec. 4. Minnesota Statutes 1982, section 80B.03, subdivision 2, is amended to read:

Subd. 2. The registration statement shall be filed on forms prescribed by the commissioner, and shall be accompanied by a consent by the offeror to service of process and the filing fee specified in section 80B.08, and shall contain the following information and such additional information as the commissioner by rule prescribes.

(a) All of the information specified in section (80B.02) 80B.03, subdivision (2) 6;

(b) Two copies of all solicitation materials intended to be used in the take-over offer in the form proposed to be published or sent or delivered to offerees;

(c) If the offeror is other than a natural person, information concerning its organization and operations, including the year, form and jurisdiction of its organization, a description of each class of equity security and long term debt, a description of the business conducted by the offeror and its subsidiaries and any material changes therein during the past three years, a description of the location and character of the principal properties of the offeror and its subsidiaries, a description of any material pending legal or administrative proceedings in which the offeror or any of its subsidiaries is a party, the names of all directors and executive officers of the offeror and their material business activities and affiliations during the past three years, and financial statements of the offeror in such form and for such period of time as the commissioner may by rule prescribe;

(d) If the offeror is a natural person, information concerning his identity and background, including his business activities and affiliations during the past three years, and a description of any material pending legal or administrative proceedings in which the offeror is a party.

Sec. 5. Minnesota Statutes 1982, section 80B.03, is amended by adding a subdivision to read:

*Subd. 3a. Registration is not deemed approval by the commissioner and any representation to the contrary is unlawful.*

Sec. 6. Minnesota Statutes 1982, section 80B.03, is amended by adding a subdivision to read:

*Subd. 4a. Within three calendar days of the date of filing of the registration statement, the commissioner may by order summarily suspend the effectiveness of the take-over offer if the commissioner determines that the registration statement does*



*not contain all of the information specified in subdivision 6 or that the take-over offer materials provided to offerees do not provide full disclosure to offerees of all material information concerning the take-over offer. The suspension shall remain in effect only until the determination following a hearing held pursuant to subdivision 5.*

Sec. 7. Minnesota Statutes 1982, section 80B.03, subdivision 5, is amended to read:

Subd. 5. (ANY) A hearing *shall be scheduled by the commissioner with respect to each suspension under this section and shall be held within (20) ten calendar days of the date of (FILING OF THE REGISTRATION STATEMENT UNDER SUBDIVISION 1, AND ANY) the suspension. Chapter 14 does not apply to the hearing. The commissioner's determination made following the hearing shall be made within (20) three calendar days after such hearing has been (CLOSED, UNLESS EXTENDED BY ORDER OF THE COMMISSIONER WITH THE CONSENT OF ALL INTERESTED PARTIES) completed but not more than 16 calendar days after the date of the suspension. The commissioner may prescribe different time limits than those specified in this subdivision by rule or order. If, based upon the hearing, the commissioner finds that the take-over offer fails to provide for full and fair disclosure to offerees of all material information concerning the offer, or that the take-over offer is (UNFAIR OR INEQUITABLE TO OFFEREES OR WILL NOT BE MADE TO ALL STOCKHOLDERS ON SUBSTANTIALLY EQUAL TERMS OR IS) in material violation of (CHAPTER 80A OR) any provision of sections 80B.01 to 80B.13, (HE SHALL BY ORDER DENY REGISTRATION OF THE OFFER) the commissioner shall permanently suspend the effectiveness of the take-over offer, subject to the right of the offeror to correct disclosure and other deficiencies identified by the commissioner and to reinstitute the take-over offer by filing a new or amended registration statement pursuant to section 80B.03.*

Sec. 8. Minnesota Statutes 1982, section 80B.03, is amended by adding a subdivision to read:

Subd. 6. *The form required to be filed by subdivision 2, clause (a), shall contain the following information and additional information the commissioner may by rule prescribe:*

(a) *the identity and background of all persons on whose behalf the acquisition of any equity security of the issuer has been or is to be affected;*

(b) *the source and amount of funds or other consideration used or to be used in acquiring any equity security, including, if applicable, a statement describing any securities which are being offered in exchange for the equity securities of the issuer,*

and if any part of the acquisition price is or will be represented by borrowed funds or other consideration, a description of the material terms of any financing arrangements and the names of the parties from whom the funds were borrowed;

(c) if the purpose of the acquisition is to gain control of the target company, a statement of any plans or proposals which the person has, upon gaining control, to liquidate the issuer, sell its assets, effect its merger or consolidation, to change the location of its principal executive office or of a material portion of its business activities, to change its management or policies of employment, to materially alter its relationship with suppliers or customers or the communities in which it operates, or make any other major change in its business, corporate structure, management or personnel, and other information which would affect the shareholders' evaluation of the acquisition;

(d) the number of shares or units of any equity security of the issuer owned beneficially by the person and any affiliate or associate of the person, together with the name and address of each affiliate or associate;

(e) the material terms of any contract, arrangement, or understanding with any other person with respect to the equity securities of the issuer whereby the person filing the statement has or will acquire any interest in additional equity securities of the issuer, or is or will be obligated to transfer any interest in the equity securities to another.

Sec. 9. Minnesota Statutes 1982, section 80B.05, is amended to read:

#### 80B.05 [FRAUDULENT AND DECEPTIVE PRACTICES.]

It is unlawful for any offeror or target company or any controlling person of an offeror or target company or any broker-dealer acting on behalf of an offeror or target company to engage in any fraudulent, deceptive or manipulative acts or practices in connection with a take-over offer. Fraudulent, deceptive and manipulative acts or practices include, without limitation:

(1) The publication or use in connection with the offer of any false statement of a material fact or the omission to state a material fact necessary to make the statements made not misleading;

(2) The sale by any controlling shareholders of a target company of any or their equity securities to the offeror for a consideration greater than that to be paid other stockholders pursuant to the offer or the purchase of any of the securities of a controlling shareholder of the target company by the offeror for

a consideration greater than that to be paid other shareholders, pursuant to an agreement not disclosed to the other shareholders;

(3) The refusal by a target company to permit an offeror who is a stockholder of record to examine its list of stockholders, and to make extracts therefrom, pursuant to the applicable corporation statutes, for the purpose of making a take-over offer in compliance with sections 80B.01 to 80B.13, or in lieu thereof, to mail any solicitation materials published by the offeror to its security holders with reasonable promptness after receipt from the offeror of such materials together with the reasonable expenses of postage and handling;

(4) *The solicitation of any offeree for acceptance or rejection of a take-over offer or acquisition of any equity security pursuant to a take-over offer before the take-over offer is effective under sections 80B.01 to 80B.13 or while the offer is suspended under sections 80B.01 to 80B.13.*

Sec. 10. Minnesota Statutes 1982, section 80B.06, is amended to read:

#### 80B.06 [LIMITATIONS ON OFFERORS.]

Subdivision 1. No offeror may make a take-over offer (INVOLVING A TARGET COMPANY) which is not made to stockholders in this state on substantially the same terms as the offer is made to stockholders outside this state.

Subd. 2. An offeror shall provide that any equity securities of a target company deposited or tendered pursuant to a take-over offer may be withdrawn by or on behalf of any offeree at any time within seven days from the date the offer has become effective under sections 80B.01 to 80B.13 and after 60 days from the date the offer has become effective under sections 80B.01 to 80B.13, except as the commissioner may otherwise prescribe by rule or order for the protection of investors.

Subd. 3. If an offeror makes a take-over offer for less than all the outstanding equity securities of any class, and if the number of securities deposited or tendered pursuant thereto within ten days after the offer has become effective under sections 80B.01 to 80B.13 and copies of the offer, or notice of any increase in the consideration offered, are first published or sent or given to security holders is greater than the number the offeror has offered to accept and pay for, the securities shall be accepted pro rata, disregarding fractions, according to the number of securities deposited or tendered by each offeree.

Subd. 4. If an offeror varies the terms of a take-over offer before its expiration date by increasing the consideration offered

to security holders, the offeror shall pay the increased consideration for all equity securities accepted, whether such securities have been accepted by the offeror before or after the variation in the terms of the offer.

Subd. 5. No offeror may make a take-over offer (INVOLVING A TARGET COMPANY IN THIS STATE,) or acquire any equity securities (OF A TARGET COMPANY) *in this state* pursuant to the *take-over* offer, at any time when (AN ADMINISTRATIVE OR INJUNCTIVE PROCEEDING IS PENDING ON BEHALF OF THE COMMISSIONER AGAINST THE OFFEROR ALLEGING A VIOLATION OF SECTIONS 80B.01 TO 80B.13 OR) *any proceeding by the commissioner is pending against the offeror alleging a violation of any provision of sections 80B.01 to 80B.13 or chapter 80A.*

Subd. 6. No offeror may acquire, remove or exercise control, directly or indirectly, over any (ASSETS OF A) target company assets located in this state (UNLESS THE TAKE-OVER OFFER IS EFFECTIVE OR EXEMPT UNDER SECTIONS 80B.01 TO 80B.13, EXCEPT AS PERMITTED BY ORDER OF THE COMMISSIONER) *pursuant to a take-over offer at any time when any proceeding by the commissioner is pending against the offeror alleging a violation of any provision of this chapter or chapter 80A.*

Subd. 7. *No offeror may acquire from any resident of this state in any manner any equity securities of any class of a target company at any time within two years following the last purchase of securities pursuant to a take-over offer with respect to that class, including, but not limited to, acquisitions made by purchase, exchange, merger, consolidation, partial or complete liquidation, redemption, reverse stock split, recapitalization, reorganization or any other similar transaction, unless the holders of the equity securities are afforded, at the time of the acquisition, a reasonable opportunity to dispose of the securities to the offeror upon substantially equivalent terms as those provided in the earlier take-over offer.*

Sec. 11. Minnesota Statutes 1982, section 80B.07, is amended to read:

80B.07 [ADMINISTRATION, RULES AND ORDERS.]

Subdivision 1. (SECTIONS 80B.01 TO 80B.13 SHALL BE ADMINISTERED BY) *In administering the provisions of sections 80B.01 to 80B.13, the commissioner (OF SECURITIES AND REAL ESTATE, WHO) may exercise all powers granted to him under chapter 80A, which are not inconsistent with sections 80B.01 to 80B.13.*

Subd. 2. The commissioner may make and adopt such rules and forms as are necessary to carry out the purposes of sections 80B.01 to 80B.13, including, without limitation, rules defining terms used in sections 80B.01 to 80B.13.

Subd. 3. The commissioner may by rule or order exempt from any provisions of sections 80B.01 to 80B.13 *any proposed take-over (OFFERS) offer or any category or type of take-over offer* which (HE) *the commissioner* determines (ARE) *does not (MADE FOR) have* the purpose (AND DO NOT HAVE THE) or effect of changing or influencing the control of a target company or where he determines that compliance with sections 80B.01 to 80B.13 is not necessary for the protection of the offerees, and (HE) *the commissioner* may similarly exempt any persons from the requirement of filing statements under sections 80B.01 to 80B.13.

Sec. 12. Minnesota Statutes 1982, section 80B.08, is amended to read:

80B.08 [FEES AND EXPENSES.]

The commissioner shall charge a filing fee of (\$100) \$250 for a registration statement filed by an offeror (AND \$100 FOR A REQUEST FOR HEARING FILED BY A TARGET COMPANY OR ITS SHAREHOLDERS. THE EXPENSES REASONABLY ATTRIBUTABLE TO ANY HEARING SCHEDULED AT THE REQUEST OF THE TARGET COMPANY OR ITS SHAREHOLDERS SHALL BE CHARGED RATABLY TO THE OFFEROR AND THE PERSON REQUESTING THE HEARING, BUT THE TOTAL AMOUNT CHARGED SHALL NOT EXCEED \$500).

Sec. 13. Minnesota Statutes 1982, section 80B.10, is amended to read:

80B.10 [PENALTIES.]

Subdivision 1. Any person, including a controlling person of an offeror or target company, who violates (SECTIONS 80B.03 TO 80B.06) *any provision of sections 80B.01 to 80B.13* or any rule thereunder, or any order of the commissioner of which (HE) *this person* has notice, (OR WHO WILLFULLY VIOLATES SECTION 80B.02 OR ANY RULE OR ORDER THEREUNDER,) may be fined not more than (\$5,000) \$25,000 or imprisoned not more than five years or both. Each of the acts specified shall constitute a separate offense and a prosecution or conviction for any one of such offenses shall not bar prosecution or conviction for any other offense. No indictment or information may be returned under sections 80B.01 to 80B.13 more than six years after the alleged violation.

Subd. 2. The commissioner may refer such evidence as is available concerning violations of sections 80B.01 to 80B.13 or of any rule or order hereunder to the attorney general or the county attorney of the appropriate county who may, with or without any reference, institute the appropriate criminal proceedings under sections 80B.01 to 80B.13. If referred to a county attorney, he shall within 90 days file with the commissioner a statement concerning any action taken or, if no action has been taken, the reasons therefor.

Subd. 3. Nothing in sections 80B.01 to 80B.13 limits the power of the state to punish any person for any conduct which constitutes a crime under any other statute.

*Subd. 4. All shares acquired from a Minnesota resident in violation of any provision of this chapter or any rule hereunder, or any order of the commissioner of which the person has notice, shall be denied voting rights for one year after acquisition, the shares shall be nontransferable on the books of the target company for one year after acquisition and the target company shall, during this one-year period, have the option to call the shares for redemption either at the price at which the shares were acquired or at book value per share as of the last day of the fiscal quarter ended prior to the date of the call for redemption. Such a redemption shall occur on the date set in the call notice but not later than 60 days after the call notice is given.*

Sec. 14. Minnesota Statutes 1982, section 302A.011, is amended by adding a subdivision to read:

*Subd. 37. [ACQUIRING PERSON.] "Acquiring person" means a person that is required to deliver an information statement under section 18.*

Sec. 15. Minnesota Statutes 1982, section 302A.011, is amended by adding a subdivision to read:

*Subd. 38. [CONTROL SHARE ACQUISITION.] "Control share acquisition" means an acquisition of shares of an issuing public corporation resulting in beneficial ownership by an acquiring person of a new range of voting power specified in section 18, subdivision 2, paragraph (d), but does not include any of the following:*

*(1) an acquisition before, or pursuant to an agreement entered into before, the effective date of this section;*

*(2) an acquisition by a donee pursuant to an inter vivos gift not made to avoid section 18 or by a distributee as defined in section 524.1-201, clause (10);*

(3) an acquisition pursuant to a security agreement not created to avoid section 18;

(4) an acquisition under sections 302A.601 to 302A.661, if the issuing public corporation is a party to the transaction; or

(5) an acquisition from the issuing public corporation.

Sec. 16. Minnesota Statutes 1982, section 302A.011, is amended by adding a subdivision to read:

*Subd. 39. [ISSUING PUBLIC CORPORATION.] "Issuing public corporation" means a corporation with at least 50 shareholders and having its principal place of business or substantial assets located in this state.*

Sec. 17. Minnesota Statutes 1982, section 302A.449, is amended by adding a subdivision to read:

*Subd. 7. [PROXY IN CONTROL SHARE ACQUISITION.] Notwithstanding any contrary provision of this chapter, a proxy relating to a meeting of shareholders required under section 18, subdivision 3, must be solicited separately from the offer to purchase or solicitation of an offer to sell shares of the issuing public corporation and must not be solicited sooner than 30 days before the meeting unless otherwise agreed in writing by the acquiring person and the issuing public corporation.*

Sec. 18. [302A.671] [CONTROL SHARE ACQUISITIONS.]

*Subdivision 1. [AUTHORIZATION IN ARTICLES.] (a) Unless otherwise expressly provided in the articles of an issuing public corporation, this section applies to a control share acquisition.*

*(b) All shares acquired by an acquiring person in violation of subdivision 4 shall be denied voting rights for one year after acquisition, the shares shall be nontransferable on the books of the corporation for one year after acquisition and the corporation shall, during the one-year period, have the option to call the shares for redemption either at the price at which the shares were acquired or at book value per share as of the last day of the fiscal quarter ended prior to the date of the call for redemption. Such a redemption shall occur on the date set in the call notice but not later than 60 days after the call notice is given.*

*Subd. 2. [INFORMATION STATEMENT.] A person proposing to make a control share acquisition shall deliver to the issuing public corporation at its principal executive office an information statement containing all of the following:*

- (a) *the identity of the person;*
- (b) *a reference that the statement is made under this section;*
- (c) *the number of shares of the issuing public corporation beneficially owned by the person;*
- (d) *a specification of which of the following ranges of voting power in the election of directors would result from consummation of the control share acquisition:*
  - (1) *at least ten percent but less than 20 percent;*
  - (2) *at least 20 percent but less than 30 percent;*
  - (3) *at least 30 percent but less than 40 percent;*
  - (4) *at least 40 percent but less than a majority;*
  - (5) *at least a majority; and*

(e) *the terms of the proposed control share acquisition, including, but not limited to, the source of funds or other consideration and the material terms of the financial arrangements for the control share acquisition, any plans or proposals of the acquiring person to liquidate the issuing public corporation, to sell all or substantially all of its assets, or merge it or exchange its shares with any other person, to change the location of its principal executive office or of a material portion of its business activities, to change materially its management or policies of employment, to alter materially its relationship with suppliers or customers or the communities in which it operates, or make any other material change in its business, corporate structure, management or personnel, and such other information which would affect the decision of a shareholder with respect to voting on the proposed control share acquisition.*

*Subd. 3. [MEETING OF SHAREHOLDERS.] Within five days after receipt of an information statement pursuant to subdivision 2, a special meeting of the shareholders of the issuing public corporation shall be called pursuant to section 302A.433, subdivision 1, to vote on the proposed control share acquisition. The meeting shall be held no later than 55 days after receipt of the information statement, unless the acquiring person agrees to a later date, and no sooner than 30 days after receipt of the information statement, if the acquiring person so requests in writing when delivering the information statement. The notice of the meeting shall at a minimum be accompanied by a copy of the information statement and a statement disclosing that the issuing public company recommends acceptance of, expresses no*



*opinion and is remaining neutral toward, or is unable to take a position with respect to the proposed control share acquisition. The notice of meeting shall be given within 25 days after receipt of the information statement.*

*Subd. 4. [CONSUMMATION OF CONTROL SHARE ACQUISITION.] (a) The acquiring person may consummate the proposed control share acquisition if and only if both of the following occur:*

*(1) the proposed control share acquisition is approved by the affirmative vote of the holders of a majority of the voting power of all shares entitled to vote which are not beneficially owned by the acquiring person. A class or series of shares of the corporation is entitled to vote as a class or series if any provision of the control share acquisition would, if contained in a proposed amendment to the articles, entitle the class or series to vote as a class or series; and*

*(2) the proposed control share acquisition is consummated within 180 days after shareholder approval.*

Sec. 19. [REPEALER.]

*Minnesota Statutes 1982, sections 80B.02; 80B.03, subdivisions 3 and 4; and 80B.12, subdivisions 1 and 3, are repealed."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1423. A bill for an act relating to motor vehicles; providing licensing and bonding requirements for horse trailer dealers; amending Minnesota Statutes 1982, section 168.27, subdivisions 22 and 24.

Reported the same back with the following amendments:

Page 1, line 17, strike "\$10" and insert "\$20"

Page 1, line 21, strike "\$10" and insert "\$20".

Page 1, line 23, strike "\$3" and insert "\$5"

Page 1, line 25, strike everything after the period

Page 2, strike line 1

Page 2, line 2, delete the new language and strike the old language

Page 2, strike line 3

Page 2, after line 9, insert:

*"For purposes of this section, a "horse trailer" is a trailer designed and used to carry horses and other livestock, with not more than three axles and a maximum gross weight capacity of not more than 24,000 pounds."*

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. 1502, A bill for an act relating to children; providing special foster care and adoption procedures for Indian children; proposing new law coded in Minnesota Statutes, chapter 257.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1545, A bill for an act relating to traffic regulations; requiring school buses purchased after January 1, 1985, to have a seat belt for each permanent seat; amending Minnesota Statutes 1982, sections 169.44, subdivision 9; and 169.685, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [TASK FORCE CREATED; MEMBERSHIP.]

*A school bus safety task force is created, to consist of:*

- (1) the commissioner of education or his designee;*
- (2) the commissioner of public safety or his designee;*

- (3) a representative of the Minnesota safety council;
- (4) a representative of the Minnesota school boards association;
- (5) two persons representative of parents whose children ride regularly in school buses, to be appointed by the governor;
- (6) one person representative of children who ride regularly in school buses, to be appointed by the governor;
- (7) a representative of school administrators responsible for pupil transportation;
- (8) two representatives of private companies operating school buses;
- (9) one school bus driver;
- (10) three members of the house of representatives, appointed by the speaker of the house; and
- (11) three members of the senate, appointed by the senate committee on committees.

The task force shall select from its membership a chairperson and other officers it deems necessary.

## Sec. 2. [DUTIES.]

The task force shall make a comprehensive study of the question of the safety of school buses and school bus transportation in Minnesota. The study shall include the following issues:

- (1) equipment and other safety features of school bus design, including seat belts, surface padding and compartmentalization;
- (2) proposals for mandatory installation and use of seat belts in school buses;
- (3) the relative population of school buses which are and are not subject to federal requirements for safety features;
- (4) the qualifications, training, examination, and licensing of school bus drivers;
- (5) the adequacy of school bus maintenance;

(6) *current requirements and practices as to school bus hauling distances;*

(7) *safety aspects of school bus pickup points; and*

(8) *the instruction and education given to school children as to school bus boarding and departing procedures.*

Sec. 3. [REPORT.]

*The task force shall report to the governor and the legislature on its findings and recommendations not later than August 1, 1985 after which date the task force must cease to function.*

Sec. 4. [ASSISTANCE.]

*The commissioners of public safety and education shall cooperate with the task force in its activities and shall provide assistance, including staff assistance, as needed.*

Sec. 5. [EXPENSES.]

*The compensation of nonlegislator members, their removal from office and the filling of vacancies is as provided in section 15.059, subdivisions 3 and 4. Members who are legislators shall be compensated in the same manner as for other legislative meetings.*

Sec. 6. [APPROPRIATION.]

*There is appropriated from the general fund the sum of \$7,000, or so much thereof as is necessary, to the legislative coordinating commission to pay compensation of nonlegislator members of the task force. This appropriation is available until August 1, 1985.*

Sec. 7. [EFFECTIVE DATE.]

*Sections 1 to 6 are effective the day following final enactment and expire August 1, 1985."*

Delete the title and insert:

"A bill for an act relating to school buses; creating a school bus safety task force; 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.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1619, A bill for an act relating to state government; providing for the addition of a member, 60 years of age or over, to serve as a representative of the older population on certain state boards, commissions, advisory councils, task forces, or committees; proposing new law coded in Minnesota Statutes, chapter 15.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [15.0591] [REPRESENTATIVE OF OLDER POPULATION.]

*Subdivision 1. [ADDITION OF MEMBERS.] The membership of state boards, commissions, advisory councils, task forces, or committees listed in subdivision 2 shall include at least one member, 60 years of age or over. At least one of the members over 60 shall not be actively engaged in or retired from an occupation, profession, or industry, if any, to be regulated.*

*Subd. 2. [BODIES AFFECTED.] A member meeting the qualifications in subdivision 1 shall be appointed to the following boards, commissions, advisory councils, task forces, or committees:*

- (1) advisory council on battered women;*
- (2) advisory task force on the use of state facilities;*
- (3) alcohol and other drug abuse advisory council;*
- (4) board for community colleges;*
- (5) board of examiners for nursing home administrators;*
- (6) board on aging;*
- (7) cable communications board;*
- (8) chiropractic examiners board;*
- (9) consumer advisory council on vocational rehabilitation;*
- (10) council for the handicapped;*
- (11) council on affairs of Spanish-speaking people;*

- (12) *council on black Minnesotans;*
- (13) *dentistry board;*
- (14) *department of economic security advisory council;*
- (15) *higher education coordinating board;*
- (16) *housing finance agency;*
- (17) *Indian advisory council on chemical dependency;*
- (18) *medical examiners board;*
- (19) *medical policy directional task force on mental health;*
- (20) *metropolitan transit commission;*
- (21) *Minnesota emergency employment development task force;*
- (22) *Minnesota office of volunteer services advisory committee;*
- (23) *Minnesota state arts board;*
- (24) *mortuary sciences advisory council;*
- (25) *nursing board;*
- (26) *optometry board;*
- (27) *pharmacy board;*
- (28) *physical therapists council;*
- (29) *podiatry board;*
- (30) *psychology board;*
- (31) *public utilities commission; and*
- (32) *veterans advisory committee.*

Sec. 2. [TEMPORARY.]

*If a group listed in section 1, subdivision 2 does not have a member who meets the qualifications in section 1, subdivision 1,*

*on the effective date of section 1, such a member shall be appointed when a vacancy occurs. Section 1 does not require the immediate displacement of current members of the groups listed in subdivision 2."*

Amend the title as follows:

Page 1, line 2, delete "the"

Page 1, line 3, delete "addition of"

Page 1, line 4, delete "as a representative of the older population"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1656, A bill for an act relating to commerce; motor fuel franchises; providing for a temporary prohibition on certain building alterations that eliminate service bays.

Reported the same back with the following amendments:

Page 2, line 8, delete "3" and insert "2"

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. 1672, A bill for an act relating to retirement; authorizing benefit increases for retired Eveleth police officers, firefighters, and surviving spouses.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1679, A bill for an act relating to workers' compensation; providing coverage for certain employees of the University of Minnesota; amending Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9.

Reported the same back with the following amendments:

Page 4, line 35, delete "*or reasonable*"

Page 4, line 36, delete "*assurance of a contract*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1704, A bill for an act relating to local government aids; amending the distribution formula; amending Minnesota Statutes 1983 Supplement, section 477A.0131, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 477A.011, is amended by adding a subdivision to read:

*Subd. 12. [MILL RATE FACTOR.] "Mill rate factor" means a municipality's population multiplied by its average equalized municipal mill rate.*

Sec. 2. Minnesota Statutes 1982, section 477A.011, is amended by adding a subdivision to read:

*Subd. 13. [ASSESSED VALUE FACTOR.] "Assessed value factor" means a municipality's population multiplied by the ratio of the statewide average equalized assessed value per capita to the municipality's equalized assessed value per capita. The statewide average equalized assessed value per capita is obtained by dividing the total equalized assessed value of all cities in the state by the total population of all cities in the state.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 477A.012, is amended to read:



## 477A.012 [COUNTY GOVERNMENT DISTRIBUTIONS.]

In each calendar year, every county government shall receive a distribution equal to (60 PERCENT OF THE) *its* aid amount certified for 1983 pursuant to sections 477A.011 to 477A.03. *A county containing a city of the first class shall receive a distribution equal to \$2 per capita in calendar year 1985 and subsequent years.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 477A.-013, subdivision 1, is amended to read:

Subdivision 1. [TOWNS.] In each calendar year, each town which (HAS AN AVERAGE EQUALIZED MILL RATE OF AT LEAST TWO MILLS) *had levied for taxes payable in the previous year at least one mill on the dollar of the assessed value of the town shall receive a distribution equal to 50 percent of the amount received in 1983 pursuant to Minnesota Statutes 1982, sections 273.138, 273.139, and 477A.011 to 477A.03.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 477A.-013, subdivision 2, is amended to read:

Subd. 2. [CITIES (AND TOWNS).] In each calendar year, (EACH) *the total local government aid appropriation for cities determined pursuant to section 477A.03 shall be apportioned among all statutory and home rule charter (CITY) cities as follows: (SHALL RECEIVE A DISTRIBUTION EQUAL TO THE AMOUNT OBTAINED BY SUBTRACTING TEN MILLS MULTIPLIED BY THE MUNICIPALITY'S EQUALIZED ASSESSED VALUE FROM THE ADJUSTED LOCAL REVENUE BASE.)*

(AN AID AMOUNT SHALL BE COMPUTED IN THE SAME MANNER FOR ALL TOWNS WHICH HAVE AN AVERAGE EQUALIZED MILL RATE OF AT LEAST TWO MILLS. A TOWN'S FINAL AID AMOUNT SHALL BE DETERMINED BY EITHER THE SUBDIVISION 1 OR THE SUBDIVISION 2 CALCULATION, WHICHEVER IS GREATER.)

(a) *Each city of the first class shall receive an apportionment equal to its previous year aid;*

(b) *One-half of the allocation for cities other than cities of the first class shall be apportioned in proportion to the ratio of each city's mill rate factor to the sum of the mill rate factors of all cities in the state other than cities of the first class;*

(c) *One-half of the allocation for cities other than cities of the first class shall be apportioned in proportion to the ratio*

*of each city's assessed value factor to the sum of the assessed value factors of all cities in the state other than cities of the first class.*

Sec. 6. Minnesota Statutes 1982, section 477A.013, is amended by adding a subdivision to read:

*Subd. 2a. [PHASE-IN.] For the calendar year 1985 aid distribution, each city's previous year aid shall be subtracted from its total allocation pursuant to subdivision 2. The resulting amount shall be divided by three. Notwithstanding the provisions of subdivision 2, each city's 1985 aid distribution shall be obtained by adding the amount resulting from this calculation to the city's previous year aid, when the result is positive, or subtracting the amount from the city's previous year aid, when the result is negative. If the result of this calculation for a city yields an aid amount greater than \$140 per capita, the amount shall be reduced to the level of its previous year aid or \$140 per capita, whichever is greater.*

*The commissioner of revenue shall determine the amounts to be allocated pursuant to subdivision 2, clauses (b) and (c) in such a manner as to entirely distribute the sum appropriated for cities pursuant to section 477A.03, subdivision 2.*

Sec. 7. Minnesota Statutes 1983 Supplement, section 477A.03, subdivision 2, is amended to read:

**Subd. 2. [LIMITATION ON APPROPRIATION (; PROPORTIONATE REDUCTION).] The amount appropriated under subdivision 1 for (DISTRIBUTIONS TO TOWNS PURSUANT TO SECTION 477A.013 SHALL NOT EXCEED \$8,750,000 AND THE AMOUNT APPROPRIATED FOR) distribution to cities pursuant to section 477A.013 shall not exceed (\$246,200,000) \$264,900,000 for calendar year (1984) 1985. (IF THE LIMITATIONS CONTAINED IN THIS SUBDIVISION RESULT IN A REDUCTION IN THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 2, EACH CITY RECEIVING LOCAL GOVERNMENT AID SHALL HAVE ITS DISTRIBUTION REDUCED IN PROPORTION TO THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 2, BEFORE THE LIMITATION OF SECTION 477A.013, SUBDIVISION 3, IS TAKEN INTO ACCOUNT. IF THE LIMITATIONS CONTAINED IN THIS SUBDIVISION RESULT IN A REDUCTION IN THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 1, EACH TOWN RECEIVING LOCAL GOVERNMENT AID SHALL HAVE ITS DISTRIBUTION REDUCED IN PROPORTION TO THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 1 OR 2, BEFORE THE LIMITATION OF SECTION 477A.013, SUBDIVISION 3, IS TAKEN INTO ACCOUNT.)**

## Sec 8. [REPEALER.]

*Minnesota Statutes 1983 Supplement, sections 477A.013, subdivision 3; and 477A.0131 are repealed.*

## Sec. 9. [EFFECTIVE DATE.]

*Sections 4 and 7 are effective the day following final enactment for determination of aids to be paid in 1984 and subsequent years. Notwithstanding section 477A.014, subdivision 1, the commissioner shall notify towns affected by the provisions of section 4 of their revised aid amounts and the computational factors used in making the calculations for their aids as soon as practicable. Sections 1, 2, 3, 5, 6, and 8 are effective commencing with the calendar year 1985 aid distribution."*

Amend the title as follows:

Page 1, line 3, delete "1983"

Page 1, delete line 4 and insert "1982, sections 477A.011, by adding subdivisions; and 477A.013, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 477A.012; 477A.013, subdivisions 1 and 2; and 477A.03, subdivision 2; repealing Minnesota Statutes 1983 Supplement, sections 477A.013, subdivision 3; and 477A.0131."

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 Economic Development to which was referred:

H. F. No. 1709, A bill for an act relating to state government; specifying powers and duties of the commissioner of the department of energy and economic development; providing services for small businesses; amending Minnesota Statutes 1982, sections 116J.67, subdivision 8; 116J.68; Minnesota Statutes 1983 Supplement, sections 116J.10; 116J.61; proposing new law coded in Minnesota Statutes, chapter 116J.

Reported the same back with the following amendments:

Page 6, after line 36, insert:

*"(c) serve as an advocate for small businesses through the presentation of small business issues and concerns in the development and operation of laws, rules, policies, and procedures of state agencies;"*

Page 7, line 1, strike "(c)" and insert "(d)"

Page 7, line 10, strike "(d)" and insert "(e)"

Page 7, line 15, strike "(e)" and insert "(f)"

Page 7, line 23, strike "(f)" and insert "(g)"

Page 7, line 32, delete "(g)" and insert "(h)"

Page 8, line 3, delete "(h)" and insert "(i)"

Page 8, line 8, delete "(i)" and insert "(j)"

Page 8, line 10, delete "(j)" and insert "(k)"

Page 8, line 12, delete "(k)" and insert "(l)"

Page 8, line 15, delete "(l)" and insert "(m)"

Page 8, line 20, delete "(m)" and insert "(n)"

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. 1749, A bill for an act relating to game and fish; exempting hunters on licensed game farms in the northern portion of the state from the requirement of a pheasant stamp; amending Minnesota Statutes 1983 Supplement, section 97.4843, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 14, delete "game farms" and insert "shooting preserves"

Amend the title as follows:

Page 1, line 3, delete "game farms" and insert "shooting preserves"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1753, A bill for an act relating to the city of St. Cloud; giving the city the powers of a port authority.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1765, A bill for an act relating to economic development; establishing the Minnesota Business Advisory Task Force; proposing new law coded in Minnesota Statutes, chapter 116J.

Reported the same back with the following amendments:

Page 1, line 24, delete "*four*" and insert "*eight*"

Page 1, line 25, delete "*two*" and insert "*six*"

Page 2, line 6, after the semicolon insert "*and*"

Page 2, line 8, delete "*;* *and*" and insert a period

Page 2, delete line 9

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1767, A bill for an act relating to workers' compensation; clarifying the law concerning ridesharing; providing for miscellaneous changes in the workers' compensation process; amending Minnesota Statutes 1982, sections 176.061, by adding subdivisions; 176.221, by adding a subdivision; 176.231, subdivision 1; 176.241, subdivision 1, and by adding a subdivision; 176.351, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 176.041, subdivision 1; 176.051, subdivisions 2 and 3; 176.101, subdivision 3t; 176.103, subdivision 2, and by adding a subdivision; 176.129, subdivisions 3, 4, and by adding

a subdivision; 176.221, subdivisions 1 and 3; 176.231, subdivision 9; 176.241, subdivision 2; 176.242, subdivisions 1, 2, 3, and 8; 176.421, subdivision 7; 176.442; and 176.66, subdivision 11; repealing Minnesota Statutes 1983 Supplement, sections 176.051, subdivision 4; and 176.129, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

## “ARTICLE 1

### RIDESHARING

#### Section 1. [INTENT.]

*The legislature finds that certain provisions enacted in 1983 relating to workers' compensation coverage of injuries or damages incurred while participating in ridesharing arrangements have created confusion among employers, employees, insurance carriers, and the public because of their ambiguous nature and their uncertain effect on the underlying premises of employer liability and workers' compensation law. The legislature also finds that the provisions have not had the intended effect of encouraging employers to promote ridesharing arrangements, but that they have had the opposite effect instead. While the provisions that were enacted were not intended to increase the scope of employer liability for travel by employees to and from work, it is feared that that interpretation may someday be given to the provisions. Therefore, the legislature seeks to clarify the meaning of those provisions and, by repealing them, to underscore its intent that the underlying law of employer liability and workers' compensation regarding employee travel to and from work is unaltered by the provisions enacted in 1983.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 79.34, subdivision 1, is amended to read:

Subdivision 1. A nonprofit association known as the workers' compensation reinsurance association is created, which may be incorporated under chapter 317 with all the powers of a corporation formed under that chapter, except that if the provisions of that chapter are inconsistent with sections 79.34 to 79.40 or any amendments thereto, sections 79.34 to 79.40 shall govern. Each insurer as defined by section 79.01, subdivision 2, shall as a condition of its authority to transact workers' compensation insurance in this state, be a member of the reinsurance association and shall be bound by the plan of operation of the reinsurance association; provided, that all affiliated insurers within a holding company system as defined in sections 60D.01 to 60D.13 shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the rein-

surance association. Each self-insurer approved pursuant to section 176.181 and each political subdivision which self-insures shall, as a condition of its authority to self-insure workers' compensation liability in this state, be a member of the reinsurance association and shall be bound by its plan of operation; provided, that (a) all affiliated companies within a holding company system, as determined by the commissioner in a manner consistent with the standards and definitions in sections 60D.01 to 60D.13, shall be considered a single entity for purposes of the exercise of all rights and duties of membership in the reinsurance association, and (b) all group self-insurers granted authority to self-insure pursuant to section 176.181 shall be considered a single entity for purposes of the exercise of all the rights and duties of membership in the reinsurance association. As a condition of its authority to self-insure workers' compensation liability, and for losses incurred on or after January 1, 1984, the state shall be a member of the reinsurance association and is bound by its plan of operation. The commissioner of labor and industry represents the state in the exercise of all the rights and duties of membership in the reinsurance association. The state treasurer shall pay the premium to the reinsurance association from the state compensation revolving fund upon warrants of the commissioner of labor and industry. For the purposes of this section "state" means the administrative branch of state government, the legislative branch, the judicial branch, the University of Minnesota, and any other entity whose workers' compensation liability is paid from the state revolving fund. The commissioner of *finance* may calculate, prorate, and charge a department or agency the portion of premiums paid to the reinsurance association for employees who are paid wholly or in part by federal funds, dedicated funds, or special revenue funds. The reinsurance association is not a state agency. Actions of the reinsurance association and its board of directors and actions of the commissioner of insurance with respect to the reinsurance association are not subject to chapters 13, 14, and 15. The reinsurance association is exempt from taxation under the laws of this state and all property owned by the association is exempt from taxation. The reinsurance association is not obligated to make any payments or pay any assessments to any funds or pools established pursuant to this chapter or chapter 176 or any other law.

Sec. 3. Minnesota Statutes 1983 Supplement, section 176.041, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYMENTS EXCLUDED.] This chapter does not apply to a person employed by a common carrier by railroad engaged in interstate or foreign commerce and who is covered by the Federal Employers' Liability Act, United States Code, title 45, sections 51 to 60, or other comparable federal law; to a person employed by a family farm as defined by section 176.011, subdivision 11a, or the spouse, parent, and child, regardless of age, of a farmer-employer working for the

farmer-employer; to a partner engaged in a farm operation or a partner engaged in a business and the spouse, parent, and child, regardless of age, of a partner in the farm operation or business; to an executive officer of a family farm corporation; to an executive officer of a closely held corporation referred to in section 176.012; to a spouse, parent, or child, regardless of age, of an executive officer of a family farm corporation as defined in section 500.24, subdivision 2, and employed by that family farm corporation; to a spouse, parent, or child, regardless of age, of an executive officer of a closely held corporation referred to in section 176.012; to another farmer or to a member of the other farmer's family exchanging work with the farmer-employer or family farm corporation operator in the same community; to a person whose employment at the time of the injury is casual and not in the usual course of the trade, business, profession, or occupation of the employer; persons who are independent contractors as defined by rules adopted by the commissioner pursuant to section 176.83 except that this exclusion does not apply to an employee of an independent contractor; nor does this chapter apply to an officer or a member of a veterans' organization whose employment relationship arises solely by virtue of attending meetings or conventions of the veterans' organization, unless the veterans' organization elects by resolution to provide coverage under this chapter for the officer or member.

Neither does the chapter apply to a person employed as a household worker in, for, or about a private home or household who earns less than \$500 in cash in a three-month period from a single private home or household provided that a household worker who has earned \$500 or more from the household worker's present employer in a three-month period within the previous year is covered by this chapter regardless of whether or not the household worker has earned \$500 in the present quarter.

This chapter does not apply to those persons employed by a corporation if those persons are related by blood or marriage, within the third degree of kindred according to the rules of civil law, to the officers of the corporation, and if the corporation files a written election with the commissioner to have those persons excluded from this chapter except that a written election is not required for a person who is otherwise excluded from this chapter by this section.

This chapter does not apply to a nonprofit association which does not pay more than \$500 in salary or wages in a year.

*This chapter does not apply to persons covered under the Domestic Volunteer Service Act of 1973, as amended, United States Code, title 42, sections 5011, et seq.*

**(THIS CHAPTER DOES NOT APPLY TO EMPLOYEES INJURED WHILE PARTICIPATING IN A RIDESHARING**



ARRANGEMENT AS DEFINED IN SECTION 169.01, SUBDIVISION 63, BETWEEN THE EMPLOYEE'S RESIDENCE AND PLACE OF EMPLOYMENT OR TERMINUS NEAR THE PLACE OF EMPLOYMENT. THIS CHAPTER DOES APPLY IF THE EMPLOYER ELECTS TO ASSUME LIABILITY COVERAGE UNDER THIS CHAPTER FOR PERSONS INJURED WHILE PARTICIPATING IN RIDESHARING ARRANGEMENTS AS OUTLINED IN SECTION 176.051, SUBDIVISION 3.)

Sec. 4. [REPEALER.]

*Minnesota Statutes 1983 Supplement, section 176.051, subdivisions 2, 3, and 4 are repealed.*

Sec. 5. [EFFECTIVE DATE.]

*Sections 1 to 4 are effective retroactively to June 10, 1983, except for the provision in section 3 regarding coverage of persons under United States Code, title 42, sections 5011, et seq., which is effective the day following final enactment.*

ARTICLE 2

MISCELLANEOUS CHANGES

Section 1. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3a, is amended to read:

Subd. 3a. [ECONOMIC RECOVERY COMPENSATION.] If an employee is not eligible for an impairment award pursuant to subdivision 3b, then the employee shall receive economic recovery compensation for a permanent partial disability pursuant to this subdivision. The compensation shall be 66-2/3 percent of the weekly wage at the time of injury subject to a maximum equal to the statewide average weekly wage. For permanent partial disability up to the percent of the whole body in the following schedule the compensation shall be paid for the proportion that the loss of function of the disabled part bears to the whole body multiplied by the number of weeks aligned with that percent.

Percent of disability	Weeks of compensation
0-25	600
26-30	640
31-35	680
36-40	720

41-45	760
46-50	800
51-55	880
56-60	960
61-65	1040
66-70	1120
71-100	1200

The percentage loss in all cases under this subdivision is determined according to the rules adopted by the commissioner pursuant to section 176.105, subdivision 4. This subdivision (SHALL APPLY) *applies* to (A PERMANENT PARTIAL DISABILITY INCURRED) *an injury which occurs* on or after (THE ADOPTION OF THOSE RULES) *January 1, 1984*.

Sec. 2. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3b, is amended to read:

Subd. 3b. [IMPAIRMENT COMPENSATION.] An employee who suffers a permanent partial disability due to a personal injury and receives impairment compensation under this section shall receive compensation in an amount as provided by this subdivision. For permanent partial disability up to the percent of the whole body shown in the following schedule the amount shall be equal to the proportion that the loss of function of the disabled part bears to the whole body multiplied by the amount aligned with that percent in the following schedule:

Percent of disability	Amount
0-25	\$ 75,000
26-30	80,000
31-35	85,000
36-40	90,000
41-45	95,000
46-50	100,000
51-55	120,000

56-60	140,000
61-65	160,000
66-70	180,000
71-75	200,000
76-80	240,000
81-85	280,000
86-90	320,000
91-95	360,000
96-100	400,000

For all cases under this subdivision the percentage loss of function of a part of the body is determined according to the rules adopted by the commissioner pursuant to section 176.105, subdivision 4. This subdivision (SHALL APPLY) *applies* to (A PERMANENT PARTIAL DISABILITY INCURRED) *an injury which occurs on or after* (THE ADOPTION OF THOSE RULES) *January 1, 1984.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3e, is amended to read:

Subd. 3e. [END OF TEMPORARY TOTAL COMPENSATION.] (a) 90 days after an employee has reached maximum medical improvement or 90 days after the end of an approved retraining program, whichever is later, the employee's temporary total compensation shall cease. This cessation shall occur at an earlier date if otherwise provided by this chapter.

(b) If (DURING) *at any time prior to the end of the 90-day* period described in clause (a) the employee retires or the employer furnishes work to the employee that is consistent with an approved plan of rehabilitation or, if no plan has been approved, that the employee can do in his or her physical condition and that job produces an economic status as close as possible to that the employee would have enjoyed without the disability, or the employer procures this employment with another employer or the employee accepts this job with another employer, temporary total compensation shall cease and the employee shall, if appropriate, receive impairment compensation pursuant to subdivision 3b. This impairment compensation is in lieu of economic recovery compensation under subdivision 3a, and the employee shall not receive both economic recovery

compensation and impairment compensation. Temporary total compensation and impairment compensation shall not be paid concurrently. Once temporary total compensation ceases no further temporary total compensation is payable except as specifically provided by this section.

(c) Upon receipt of a written medical report indicating that the employee has reached maximum medical improvement, the employer or insurer shall serve a copy of the report upon the employee and shall file a copy with the division. The beginning of the 90-day period shall commence on the day this report is served on the employee for the purpose of determining whether a job offer consistent with the requirements of this subdivision is made. *A job offer may be made before the employee reaches maximum medical improvement.*

((C)) (d) The job which is offered or procured by the employer or accepted by the employee under clause (b) does not necessarily have to commence immediately but shall commence within a reasonable period after the end of the 90-day period described in clause (a). Temporary total compensation shall not cease under this subdivision until the job commences.

((D)) (e) If the job offered under clause (a) is not the job the employee had at the time of injury it shall be offered in writing and shall state the nature of the job, the rate of pay, the physical requirements of the job, and any other information necessary to fully and completely inform the employee of the job duties and responsibilities.

The employee has 14 calendar days to accept or reject the job offer. If the employee does not respond within this period it is deemed a refusal of the offer. *Where there is an administrative conference to determine suitability under section 176.242, the period begins to run on the date of the commissioner's decision.*

((E)) (f) Self-employment may be an appropriate job under this subdivision.

The commissioner shall monitor application of this subdivision and may adopt rules to assure its proper application.

Sec. 4. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3g, is amended to read:

Subd. 3g. [ACCEPTANCE OF JOB OFFER.] If the employee accepts a job offer described in subdivision 3e and the employee begins work at that job, although not necessarily within the 90-day period specified in that subdivision, the impairment compensation shall be paid in a lump sum 30 calendar days after the employee actually commences work *if the employ-*

*ment has not been substantially interrupted by the injury for any part of the 30 days and the employee is still employed at that job at the end of the period.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3i, is amended to read:

Subd. 3i. [LAY OFF BECAUSE OF LACK OF WORK OR RELEASED FOR OTHER THAN SEASONAL CONDITIONS.] (a) If an employee accepts a job under subdivision 3e and begins work at that job and is subsequently unemployed *at that job* because of economic conditions, other than seasonal conditions, the employee shall receive monitoring period compensation pursuant to clause (b). In addition, the employer who was the employer at the time of the injury shall provide rehabilitation consultation by a qualified rehabilitation consultant if the employee remains unemployed for 45 calendar days. The commissioner may waive this rehabilitation consultation if the commissioner deems it appropriate. Further rehabilitation, if deemed appropriate, is governed by section 176.102.

(b) Upon the employee's initial return to work the monitoring period begins to run. If the employee is unemployed for the reason in clause (a), prior to the end of the monitoring period the employee shall receive monitoring period compensation. This compensation shall be paid for the lesser of (1) the weeks remaining in the monitoring period, or (2) the weeks equal to the monitoring period minus the impairment compensation paid to the employee. For purposes of this clause the impairment compensation shall be converted to weeks by dividing the impairment compensation received by the employee by the employee's compensation rate for temporary total disability at the time of the injury. No monitoring period compensation is payable if the unemployment occurs after the expiration of the monitoring period. Monitoring period compensation is payable at the same intervals and in the same amount as when temporary total compensation ceased.

*(c) Compensation under this subdivision shall not be escalated pursuant to section 176.645.*

((C)) (d) If the employee returns to work and is still receiving monitoring period compensation, this compensation shall cease. Any period remaining in the monitoring period upon this return to work shall be used to determine further benefits if the employee is again unemployed under clause (a).

((D)) (e) Upon the employee's return to work pursuant to this section the insurer shall notify the employee of the length of the employee's monitoring period and shall notify the employee of the amount of impairment to be paid and the date of payment.

Sec. 6. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3j, is amended to read:

Subd. 3j. [MEDICALLY UNABLE TO CONTINUE WORK.]

(a) If the employee has started the job offered under subdivision 3e and is medically unable to continue at that job because of the (PERMANENT PARTIAL DISABILITY) *injury*, that employee shall receive temporary total compensation pursuant to clause (b). In addition, the employer who was the employer at the time of the injury shall provide rehabilitation consultation by a qualified rehabilitation consultant. Further rehabilitation, if deemed appropriate, is governed by section 176.102.

(b) Temporary total compensation shall be paid for up to 90 days after the employee has reached maximum medical improvement or 90 days after the end of an approved retraining plan, whichever is later. The temporary total compensation shall cease at any time within the 90-day period that the employee begins work meeting the requirements of subdivision 3e or 3f. If no job is offered to the employee by the end of this 90-day period, the employee shall receive economic recovery compensation pursuant to this section but reduced by the impairment compensation previously received by the employee for the same disability.

Sec. 7. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 31, is amended to read:

Subd. 31. [FAILURE TO ACCEPT JOB OFFER.] If the employee has been offered a job under subdivision 3e and has refused the offer, the impairment compensation shall not be paid in a lump sum but shall be paid in the same interval and amount that temporary total compensation was initially paid. *This compensation shall not be escalated pursuant to section 176.645.* Temporary total compensation shall cease upon the employee's refusal to accept the job offered and no further or additional temporary total compensation is payable for that injury. The payment of the periodic impairment compensation shall cease when the amount the employee is eligible to receive under subdivision 3b is reached, after which time the employee shall not receive additional impairment compensation or any other compensation under this chapter unless the employee has a greater permanent partial disability than already compensated for.

Sec. 8. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3m, is amended to read:

Subd. 3m. [RETURN TO WORK AFTER REFUSAL OF JOB OFFER.] If the employee has refused the job offer under subdivision 3e and is receiving periodic impairment compensation and returns to work at another job, the employee shall receive the remaining impairment compensation due, in a lump sum, 30 days after return to work *if the employment has not*

*been substantially interrupted by the injury for any part of the 30 days and the employee is still employed at that job at the end of the period.*

Sec. 9. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3o, is amended to read:

Subd. 3o. [INABILITY TO RETURN TO WORK.] (a) An employee who is permanently totally disabled pursuant to subdivision 5 shall receive impairment compensation as determined pursuant to subdivision 3b. This compensation is payable in addition to permanent total compensation pursuant to subdivision 4 and is payable concurrently. In this case the impairment compensation shall be paid in the same intervals and amount as the permanent total compensation (IS) *was initially* paid, and the impairment compensation shall cease when the amount due under subdivision 3b is reached. If this employee returns to work at any job during the period the impairment compensation is being paid, the remaining impairment compensation due shall be paid in a lump sum 30 days after the employee has returned to work and no further temporary total compensation shall be paid.

(b) If an employee is receiving periodic economic recovery compensation and is determined to be permanently totally disabled no offset shall be taken against future permanent total compensation for the compensation paid *and no permanent total weekly compensation is payable for any period during which economic recovery compensation has already been paid.* No further economic recovery compensation is payable even if the amount due the employee pursuant to subdivision 3a has not yet been reached.

(c) An employee who has received periodic economic recovery compensation and who meets the criteria under clause (b) of this subdivision shall receive impairment compensation pursuant to clause (a) of this subdivision even if the employee has previously received economic recovery compensation for that disability.

(d) Rehabilitation consultation pursuant to section 176.102 shall be provided to an employee who is permanently totally disabled.

Sec. 10. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3q, is amended to read:

Subd. 3q. [METHOD OF PAYMENT OF ECONOMIC RECOVERY COMPENSATION.] (a) Economic recovery compensation is payable at the same intervals and in the same amount as temporary total compensation *was initially* paid. If the employee returns to work and the economic recovery compensation is still being paid, the remaining economic recovery compen-

sation due shall be paid in a lump sum 30 days after the employee has returned to work *if the employment has not been substantially interrupted by the injury for any part of the 30 days and the employee is still employed at that job at the end of the period.*

(b) Periodic economic recovery compensation paid to the employee shall not be adjusted pursuant to section 176.645.

Sec. 11. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3r, is amended to read:

Subd. 3r. [PAYMENT OF COMPENSATION AT DEATH.]  
If an employee receiving economic recovery compensation or impairment compensation in periodic amounts dies during the period from causes unrelated to the injury, the compensation shall be paid in the following manner:

(a) If the deceased employee leaves a dependent surviving spouse and no dependent children, as defined by section 176.111, subdivision 1, the spouse shall receive the periodic economic recovery or impairment compensation that the deceased was receiving before the death. This compensation shall be paid for a period of up to ten years after the date of death at which time payments and future entitlement to it ceases.

(b) If the deceased employee leaves a dependent spouse and dependent children, as defined in section 176.111, subdivision 1, the periodic economic recovery or impairment compensation shall continue to be paid to the surviving spouse for up to ten years after the last child is no longer dependent after which time payments and future entitlement to the compensation ceases.

(c) *If the deceased employee leaves a dependent child, as defined by section 176.111, and no dependent spouse, the periodic economic recovery or impairment compensation shall continue to be paid to the child until the child is no longer dependent or until the amount to which the employee was entitled to receive is exhausted, whichever is later.*

(d) Payment of compensation under this subdivision shall cease prior to the end of the ten-year periods in this subdivision if the amount to which the employee is entitled to receive under subdivision (3,) 3a (,) or 3b (,) is reached prior to the end of the ten-year period *except as provided in clause (c).* If the deceased employee is not survived by dependent children or a dependent spouse as defined in section 176.111, no further economic recovery compensation or impairment compensation is payable to any person (UNDER THIS SUBDIVISION).

((D)) (e) If the death results from the injury, the payment of economic recovery compensation or impairment compen-



sation shall cease upon the death and *in lieu thereof* death benefits are payable pursuant to section 176.111.

Sec. 12. Minnesota Statutes 1983 Supplement, section 176.101, subdivision 3t, is amended to read:

Subd. 3t. [MINIMUM ECONOMIC RECOVERY COMPENSATION.] (a) Economic recovery compensation pursuant to this section shall be at least 120 percent of the impairment compensation the employee would receive if that compensation were payable to the employee. The monitoring period shall be at least 120 percent of the weeks during which impairment compensation would be payable if paid weekly.

(b) *Where* an employee (WHO) has suffered a personal injury for which temporary total compensation is payable but which produces no permanent partial disability *and the employee is unable to return to his former employment for medical reasons attributable to the injury, the employee* shall receive 26 weeks of economic recovery compensation (IF NO JOB IS OFFERED WITHIN THE TIME SPECIFIED IN AND MEETING THE CRITERIA OF SUBDIVISION 3E). *This paragraph shall not be used to determine monitoring period compensation under subdivision 3i and shall not be a minimum for determining the amount of compensation when an employee has suffered a permanent partial disability.*

Sec. 13. Minnesota Statutes 1983 Supplement, section 176.102, subdivision 3a, is amended to read:

Subd. 3a. [REVIEW PANEL APPEALS.] Appeals to the review panel shall be heard before a panel of five members designated by the review panel. Each five-member panel shall consist of (TWO) *at least one* labor (MEMBERS, TWO) member, *at least one* employer or insurer (MEMBERS) member, and *at least one* member representing medicine, chiropractic, or rehabilitation. *The number of labor members and employer or insurer members on the five-member panel shall be equal.* The determination of the five-member panel shall be by a majority vote and shall represent the determination of the entire review panel and is not subject to review by the panel as a whole. When conducting a review of the commissioner's determination regarding any rehabilitation issue or plan the panel shall give the parties notice that the appeal will be heard. This notice shall be given at least ten working days prior to the hearing. The notice shall state that parties may be represented by counsel at the hearing. In conducting its review the panel shall permit an interested party to present relevant, competent, oral or written evidence and to cross-examine opposing evidence. Evidence presented is not limited to the evidence previously submitted to the commissioner. A record of the proceeding shall be made by the panel. Upon determination of the issue presented, the panel

shall issue to the interested parties a written decision and order. The decision need not contain a recitation of the evidence presented at the hearing, but shall be limited to the panel's basis for the decision. *The panel may adopt rules of procedure which may be joint rules with the medical services review board.*

Sec. 14. Minnesota Statutes 1983 Supplement, section 176.102, subdivision 9, is amended to read:

Subd. 9. [PLAN, COSTS.] An employer is liable for the following rehabilitation expenses under this section:

(a) Cost of rehabilitation evaluation and preparation of a plan;

(b) Cost of all rehabilitation services and supplies necessary for implementation of the plan;

(c) Reasonable cost of tuition, books (AND), travel, *and custodial daycare*; and, in addition, reasonable costs of board (,) *and lodging* (AND CUSTODIAL DAYCARE) when rehabilitation requires residence away from the employee's customary residence;

(d) Reasonable costs of travel and custodial daycare during the job interview process;

(e) Reasonable cost for moving expenses of the employee and family if a job is found in a geographic area beyond reasonable commuting distance after a diligent search within the present community. Relocation shall not be paid more than once during any rehabilitation program, and relocation shall not be required if the new job is located within the same standard metropolitan statistical area as the employee's job at the time of injury. An employee shall not be required to relocate and a refusal to relocate shall not result in a suspension or termination of compensation under this chapter; and

(f) Any other expense agreed to be paid.

Sec. 15. Minnesota Statutes 1983 Supplement, section 176.103, subdivision 3, is amended to read:

Subd. 3. [MEDICAL SERVICES REVIEW BOARD; SELECTION; POWERS.] (a) There is created a medical services review board composed of the commissioner or the commissioner's designee as an ex officio member, two persons representing chiropractic, one person representing hospital administrators, and six (MEDICAL PRACTITIONERS) *physicians* representing different specialties which the commissioner determines are the most frequently utilized by injured employees. The board shall also have one person representing em-

ployees, one person representing employers or insurers, and one person representing the general public. The members shall be appointed by the commissioner and shall be governed by section 15.0575. Terms of the board's members may be renewed. The board shall appoint from among its clinical members a clinical advisory subcommittee on clinical quality and a clinical advisory subcommittee on clinical cost containment. Each subcommittee shall consist of at least three members one of whom shall be a member who is not a chiropractor or licensed physician.

The clinical quality subcommittee shall review clinical results for adequacy and recommend to the commissioner scales for disabilities and apportionment.

The clinical cost containment subcommittee shall review and recommend to the commissioner rates for individual clinical procedures and aggregate costs. The subcommittees shall make regular reports to the board and the commissioner which shall evaluate the reports for the purpose of determining whether or not a particular health care provider continues to qualify for payment under chapter 176 or is subject to any other sanctions or penalties authorized under this section and to determine whether an employee has been off work longer than necessary.

In evaluating the clinical consequences of the services provided to an employee by a clinical health care provider, the board shall consider the following factors in the priority listed:

- (1) the clinical effectiveness of the treatment;
- (2) the clinical cost of the treatment; and
- (3) the length of time of treatment.

In its consideration of these factors, the board shall utilize the information and recommendations developed by the subcommittees. In addition, the board shall utilize any other data developed by the subcommittees pursuant to the duties assigned to the subcommittees under this section.

After making a determination, the board shall submit its recommendation in writing to the commissioner. The board shall advise the commissioner on the adoption of rules regarding all aspects of medical care and services provided to injured employees.

(b) The board shall appoint three of its members to hear appeals from decisions of the commissioner regarding quality control and supervision of medical care; any other disputes regarding medical, surgical, and hospital care; decisions regarding the eligibility of medical providers to receive payments; or any other determinations of the commissioner pursuant to sub-

division 2. The three-member panel shall be composed of one member who does not represent a health care specialty, one member who represents the same specialty as the specialty at issue or, if the same specialty is not available, one member whose specialty is as close as possible considering the board's composition, and one member representing a different specialty. The three-member panel shall conduct a hearing in the same manner, giving the same notice and following other procedures required of the rehabilitation review panel in section 176.102, subdivision 3a. A majority vote of the three-member panel constitutes the decision of the full board. This decision may be appealed to the workers' compensation court of appeals.

(c) In any situation where a conflict of interest prevents the appointment of a full three-member panel or in any other situation where the commissioner deems it necessary to resolve a conflict of interest, the commissioner may appoint a temporary substitute board member to serve until the situation creating the conflict of interest has been resolved.

(d) *The board may adopt rules of procedure. The rules may be joint rules with the rehabilitation review panel.*

Sec. 16. Minnesota Statutes 1983 Supplement, section 176.103, is amended by adding a subdivision to read:

*Subd. 4. [ADVISORY COUNCIL.] The commissioner shall appoint an advisory council to the medical services review board. The council shall consist of health professionals other than physicians or chiropractors who are involved in the clinical care of injured workers receiving compensation under this chapter, including but not limited to physical therapists, nurses, qualified rehabilitation consultants, psychologists, dentists, and vocational rehabilitation consultants. The terms, compensation, and removal of members, and the expiration date of the council is governed by section 15.059.*

Sec. 17. Minnesota Statutes 1983 Supplement, section 176.104, subdivision 1, is amended to read:

Subdivision 1. [DISPUTE.] If there exists a dispute regarding whether an injury arose out of and in the course and scope of employment and an employee has been disabled for the requisite time under section 176.102, subdivision 4, prior to determination of liability, the employee shall be referred by the commissioner to the division of vocational rehabilitation which shall provide rehabilitation consultation *if appropriate*. The services provided by the division of vocational rehabilitation and the scope and term of the rehabilitation are governed by section 176.102 and rules adopted pursuant to that section. Rehabilitation costs and services under this subdivision shall be (APPROVED, REJECTED, OR MODIFIED) *monitored* by the commissioner.

Sec. 18. Minnesota Statutes 1983 Supplement, section 176.104, subdivision 2, is amended to read:

Subd. 2. [LIABILITY FOR PAST REHABILITATION.] If liability is determined after the employee has commenced rehabilitation under this section the liable party is responsible for the cost of rehabilitation provided (AND APPROVED BY THE COMMISSIONER). Future rehabilitation after liability is established is governed by section 176.102.

Sec. 19. [176.1041] [CERTIFICATION FOR FEDERAL TAX CREDIT.]

*Subdivision 1. [CERTIFICATION PROGRAM.] The division of vocational rehabilitation shall establish a program authorizing qualified rehabilitation consultants and approved vendors to refer an employee to the division for the sole purpose of federal targeted jobs tax credit eligibility determination. The division shall set forth the specific requirements, procedures and eligibility criteria for purposes of this section. The division shall not be required to certify an injured employee who does not meet the eligibility requirements set forth in the federal Rehabilitation Act of 1973, as amended.*

*Subd. 2. [FEE.] The division is authorized to collect a fee from the qualified rehabilitation consultant or approved vendor in the amount necessary to determine eligibility and to certify an employee for this program.*

Sec. 20. Minnesota Statutes 1983 Supplement, section 176.129, subdivision 3, is amended to read:

Subd. 3. [PAYMENTS TO FUND, INJURY.] If an employee suffers a personal injury resulting in permanent partial disability, temporary total disability, temporary partial disability, permanent total disability, or death and the employee or the employee's dependents are entitled to compensation under sections 176.101 or 176.111 the employer shall pay to the commissioner a lump sum amount, without any interest deduction, equal to 20 percent of the total compensation payable. The rate under this subdivision shall (REMAIN CONSTANT) *be adjusted as provided under subdivision 4a and applies to injuries occurring after June 1, 1971, (AND PRIOR TO JANUARY 1, 1984,) for payments made on or after January 1, 1984. This payment is to be credited to the special compensation fund and shall be in addition to any compensation payments made by the employer under this chapter. Payment shall be made as soon as the amount is determined and approved by the commissioner.*

Sec. 21. Minnesota Statutes 1983 Supplement, section 176.129, subdivision 4, is amended to read:

Subd. 4. [TIME OF INJURY.] Subdivision 3 applies to all workers' compensation payments, *exclusive of medical costs*, paid under (SECTIONS) *section 176.101 (, 176.102,) or 176.111 (, OR 176.135.)* for an injury or death occurring on or after June 1, 1971 (, BUT BEFORE JANUARY 1, 1984).

Payments made for personal injuries that occurred prior to June 1, 1971, shall be assessed at the rate in effect on the date of occurrence.

Sec. 22. Minnesota Statutes 1983 Supplement, section 176.129, is amended by adding a subdivision to read:

*Subd. 4a. [CONTRIBUTION RATE ADJUSTMENT.] In determining the rate of adjustment as provided by subdivision 3, the commissioner shall determine the revenues received less claims received for the preceding 12 months ending June 30, 1984, and each June 30 thereafter.*

<i>If the result is:</i>	<i>the range of adjustment is:</i>
<i>over \$15,000,000</i>	<i>-10% to 0%</i>
<i>less than \$15,000,000 but more than \$10,000,000</i>	<i>-7% to +3%</i>
<i>less than \$10,000,000 but more than \$5,000,000</i>	<i>-5% to +5%</i>
<i>less than \$5,000,000 but more than \$0</i>	<i>-3% to +7%</i>
<i>\$0 but less than a \$5,000,000 deficit</i>	<i>0% to +10%</i>
<i>more than a \$5,000,000 deficit</i>	<i>+5% to +12%</i>

*The adjustment under this subdivision shall be used for assessments for calendar year 1984 and each year thereafter.*

*An amount assessed pursuant to this section is payable to the commissioner within 45 days of mailing notice of the amount due unless the commissioner orders otherwise.*

Sec. 23. Minnesota Statutes 1983 Supplement, section 176.135, subdivision 1, is amended to read:

Subdivision 1. [MEDICAL, CHIROPRACTIC, PODIATRIC, SURGICAL, HOSPITAL.] The employer shall furnish any medical, chiropractic, podiatric, surgical and hospital treat-

ment, including nursing, medicines, medical, chiropractic, podiatric, and surgical supplies, crutches and apparatus, including artificial members, or, at the option of the employee, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, chiropractic medicine and medical supplies, as may reasonably be required at the time of the injury and any time thereafter to cure and relieve from the effects of the injury. This treatment shall include treatments necessary to physical rehabilitation. The employer shall furnish replacement or repair for artificial members, glasses, or spectacles, artificial eyes, podiatric orthotics, dental bridge work, dentures or artificial teeth, hearing aids, canes, crutches or wheel chairs damaged by reason of an injury arising out of and in the course of the employment. In case of (HIS) *the employer's* inability or refusal seasonably to do so the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing the same. The employer shall pay for the reasonable value of nursing services by a member of the employee's family in cases of permanent total disability. Orders of the commissioner (OR) *with respect to this subdivision may be reviewed by the medical services review board pursuant to section 176.103. Orders of the medical services review board with respect to this subdivision may be reviewed by the workers' compensation court of appeals on petition of an aggrieved party (OR) pursuant to section 176.103. Orders of the court of appeals may be reviewed by writ of certiorari to the supreme court.*

Sec. 24. Minnesota Statutes 1982, section 176.135, is amended by adding a subdivision to read:

*Subd. 5. [OCCUPATIONAL DISEASE MEDICAL ELIGIBILITY.] Notwithstanding section 176.66, an employee who has contracted an occupational disease is eligible to receive compensation under this section even if the employee is not disabled from earning full wages at the work at which the employee was last employed.*

Sec. 25. Minnesota Statutes 1983 Supplement, section 176.138, is amended to read:

176.138 [MEDICAL DATA; ACCESS.]

Notwithstanding any other state laws related to the privacy of medical data or any private agreements to the contrary, the release of medical data related to a current claim for compensation under this chapter to the employee, employer, or insurer who are parties to the claim, or to the department of labor and industry, shall not require prior approval of any party to the claim. Requests for pertinent data shall be made in writing to the person or organization that collected or currently possesses the data. The data shall be provided by the collector or possessor within seven working days of receiving the request. In all cases

of a request for the data, except when it is the employee who is making the request, the employee shall be sent written notification of the request by the party requesting the data at the same time the request is made. This data shall be treated as private data by the party who requests or receives the data and the employee or the employee's attorney shall be provided with a copy of all data requested by the requester.

Medical data which is not directly related to a current injury or disability shall not be released without prior authorization of the employee.

The commissioner may impose a penalty of up to \$200 payable to the special compensation fund against a party who does not release the data in a timely manner. A party who does not treat this data as private pursuant to this section is guilty of a misdemeanor. *This section applies only to written medical data which exists at the time the request is made.*

Sec. 26. Minnesota Statutes 1983 Supplement, section 176.183, subdivision 1, is amended to read:

Subdivision 1. When any employee sustains an injury arising out of and in the course of employment while in the employ of an employer, other than the state or its political subdivisions, not insured or self-insured as provided for in this chapter, the employee or the employee's dependents shall nevertheless receive benefits as provided for in this chapter from the special compensation fund, and the commissioner has a cause of action against the employer for reimbursement for all moneys paid out or to be paid out, and, in the discretion of the court, as punitive damages an additional amount not exceeding 50 percent of all moneys paid out or to be paid out. *As used in this subdivision, "employer" includes officers of corporations who have legal control, either individually or jointly with another or others, of the payment of wages.* An action to recover the moneys shall be instituted unless the commissioner determines that no recovery is possible. All moneys recovered shall be deposited in the general fund. There shall be no payment from the special compensation fund if there is liability for the injury under the provisions of section 176.215, by an insurer or self-insurer.

Sec. 27. Minnesota Statutes 1983 Supplement, section 176.221, subdivision 1, is amended to read:

Subdivision 1. [COMMENCEMENT OF PAYMENT.] Within 14 days of notice to or knowledge by the employer of an injury compensable under this chapter the payment of temporary total compensation shall commence. *Within 14 days of notice to or knowledge by an employer of a new period of temporary total disability which is caused by an old injury compensable under this chapter, the payment of temporary total compensation shall commence; provided that the employer or insurer may*



*file for an extension with the commissioner within this 14-day period, in which case the compensation need not commence within the 14-day period but shall commence no later than 30 days from the date of the notice to or knowledge by the employer of the new period of disability. Commencement of payment by an employer or insurer does not waive any rights to any defense the employer (MAY HAVE) has on any claim or incident either with respect to the compensability of the claim under chapter 176 or the amount of the compensation due. Where there are multiple employers, the first employer shall pay, unless it is shown that the injury has arisen out of employment with the second or subsequent employer. Liability for compensation under this chapter may be denied by the employer or insurer by giving the employee written notice of the denial of liability. If liability is denied for an injury which is required to be reported to the commissioner under section 176.231, subdivision 1, the denial of liability must be filed with the commissioner within 14 days after notice to or knowledge by the employer of an injury which is alleged to be compensable under this chapter. If the employer or insurer has commenced payment of compensation under this subdivision but determines within 30 days of notice to or knowledge by the employer of the injury that the disability is not a result of a personal injury, payment of compensation may be terminated upon the filing of a notice of denial of liability within 30 days of notice or knowledge. After the 30-day period, payment may be terminated only by the filing of a notice as provided under section 176.242. Upon the termination, payments made may be recovered by the employer if the commissioner or compensation judge finds that the employee's claim of work related disability was not made in good faith. A notice of denial of liability must state in detail specific reasons explaining why the claimed injury or occupational disease was determined not to be within the scope and course of employment and shall include the name and telephone number of the person making this determination.*

Sec. 28. Minnesota Statutes 1983 Supplement, section 176-221, subdivision 3, is amended to read:

Subd. 3. [(PAYMENTS TO SPECIAL COMPENSATION FUND) PENALTY.] (WHERE AN) *If the employer or insurer (FAILS TO) does not begin payment of compensation (PURSUANT TO SUBDIVISION 1, OR TO FILE A DENIAL OF LIABILITY) within the (14-DAY PERIOD REFERRED TO IN) time limit prescribed under subdivision 1 or 8, (IT SHALL PAY) the commissioner may assess a penalty, payable to the special compensation fund (AN AMOUNT EQUAL TO THE TOTAL), of up to 100 percent of the amount of compensation to which the employee is entitled because of the injury to receive up to the date compensation payment is made to the employee in addition to any other penalty otherwise provided by statute. This penalty may also be imposed on an employer or insurer who violates section 176.242 or 176.243 including, but not limited to, violating the commissioner's decision not to discontinue compensation.*

Sec. 29. Minnesota Statutes 1983 Supplement, section 176.221, is amended by adding a subdivision to read:

*Subd. 3a. [PENALTY.] In lieu of any other penalty under this section, the commissioner may assess a penalty of up to \$1,000 for each instance in which an employer or insurer does not pay benefits or file a notice of denial of liability within the time limits prescribed under this section.*

Sec. 30. Minnesota Statutes 1982, section 176.231, subdivision 1, is amended to read:

Subdivision 1. [TIME LIMITATION.] Where death or serious injury occurs to an employee during the course of employment, the employer shall report the injury or death to the commissioner (OF LABOR AND INDUSTRY) and insurer within 48 hours after its occurrence. Where any other injury occurs which wholly or partly incapacitates the employee from performing labor or service for *more than three calendar days* or longer, the employer shall report the injury to the (COMMISSIONER OF LABOR AND INDUSTRY AND) insurer *on a form prescribed by the commissioner* within (15) *ten* days from its occurrence. *A self-insured employer shall report the injury to the commissioner no later than 14 days from its occurrence.* Where an injury has once been reported but subsequently death ensues, the employer shall report the death to the commissioner (OF LABOR AND INDUSTRY) and insurer within 48 hours after (HE) *the employer* receives notice of this fact.

Sec. 31. Minnesota Statutes 1983 Supplement, section 176.231, subdivision 9, is amended to read:

Subd. 9. [USES WHICH MAY BE MADE OF REPORTS.] Reports filed with the commissioner under this section may be used in hearings held under this chapter, and for the purpose of state investigations and for statistics. These reports are available to the department of revenue for use in enforcing Minnesota income tax and property tax refund laws, and the information shall be protected as provided in section 290.61 or 290A.17.

The division or office of administrative hearings or workers' compensation court of appeals may permit (AN ATTORNEY AT LAW WHO REPRESENTS AN) *the examination of its file by the employer, insurer, (OR AN) employee, or (A) dependent (TO EXAMINE ITS FILE IN A COMPENSATION CASE IF THE ATTORNEY) of a deceased employee* or any person who furnishes written authorization to do so from the (ATTORNEY'S CLIENT) employer, insurer, employee, or dependent *of a deceased employee.* Reports filed under this section and other information the commissioner has regarding injuries

or deaths shall be made available to the workers' compensation reinsurance association for use by the association in carrying out its responsibilities under chapter 79.

Sec. 32. Minnesota Statutes 1982, section 176.241, subdivision 1, is amended to read:

Subdivision 1. [NECESSITY FOR NOTICE AND SHOWING; CONTENTS.] *Subject to sections 176.242 and 176.243*, where an employee claims that the right to compensation continues, the employer may not discontinue payment of compensation until (HE) *the employer* provides the employee with notice in writing of his intention to do so, *on a form prescribed by the commissioner*, together with a statement of facts clearly indicating the reasons for the discontinuance. A copy of the notice shall be provided to the division by the employer.

The notice to the employee and the copy to the division shall state the date of intended discontinuance and the reason for the action. The notice to the employee and the copy to the division shall be accompanied by a statement of facts in support of the discontinuance of compensation payments and whatever medical reports are in the possession of the employer bearing on the physical condition of the employee at the time of the proposed discontinuance.

Sec. 33. Minnesota Statutes 1983 Supplement, section 176.241, subdivision 2, is amended to read:

Subd. 2. [CONTINUANCE OF EMPLOYER'S LIABILITY; SUSPENSION.] Except when the commissioner orders otherwise, until the copy of the notice and reports have been filed with the division, the liability of the employer to make payments of compensation continues.

When the division has received a copy of the notice of discontinuance, the statement of facts and available medical reports, the duty of the employer to pay compensation is suspended (PENDING AN INVESTIGATION HEARING, AND DETERMINATION OF THE MATTER BY THE DIVISION OR COMPENSATION JUDGE), *except as provided in the following subdivisions and in sections 176.242 and 176.243*.

Sec. 34. Minnesota Statutes 1982, section 176.241, subdivision 3, is amended to read:

Subd. 3. [COPY OF NOTICE TO EMPLOYEE (, INVESTIGATION, HEARING).] When the employer has reason to believe compensation may be terminated within the requirements of this chapter, notice shall be given to the employee informing the employee of (HIS) *the employee's* right to object to the discontinuance *pursuant to sections 176.242 and 176.243* and provid-

ing instructions as to how to contact the employer (OR), insurer, and commissioner regarding the discontinuance and the procedures related to initiation of a claim. (THE COMMISSIONER SHALL MAKE AN INVESTIGATION TO DETERMINE WHETHER THE RIGHT TO COMPENSATION HAS TERMINATED. IF IT APPEARS FROM THE INVESTIGATION THAT THE RIGHT TO COMPENSATION MAY NOT HAVE TERMINATED, THE COMMISSIONER SHALL REFER THE MATTER TO THE CHIEF HEARING EXAMINER IN ORDER THAT A HEARING BEFORE A COMPENSATION JUDGE MAY BE SCHEDULED, TO DETERMINE THE RIGHT OF THE EMPLOYEE, OR HIS DEPENDENT, TO FURTHER COMPENSATION.)

(THE HEARING SHALL BE HELD WITHIN A REASONABLE TIME AFTER THE DIVISION HAS RECEIVED THE NOTICE OF DISCONTINUANCE. THE COMPENSATION JUDGE SHALL GIVE EIGHT DAYS NOTICE OF THE HEARING TO INTERESTED PARTIES.)

Sec. 35. Minnesota Statutes 1982, section 176.241, is amended by adding a subdivision to read:

*Subd. 3a. [OBJECTION TO DISCONTINUANCE.] If the employee is aggrieved by the commissioner's decision under section 176.242 or 176.243 or the employee has not timely proceeded under either of those sections, or the discontinuance is not governed by those sections, the employee may file an objection to discontinuance with the commissioner. The commissioner shall refer the matter to the chief hearing examiner in order that a hearing before a compensation judge may be scheduled to determine the right of the employee, or the employee's dependent, to further compensation.*

*The hearing shall be a de novo hearing and shall be held within a reasonable time after the chief hearing examiner has received the notice of the objection to discontinuance.*

Sec. 36. Minnesota Statutes 1982, section 176.241, is amended by adding a subdivision to read:

*Subd. 3b. [PETITION TO DISCONTINUE.] Pursuant to section 176.242, subdivision 5, an employer or insurer may file a petition to discontinue benefits with the commissioner. The commissioner shall refer the matter to the chief hearing examiner in order that a hearing on the petition be held before a compensation judge. This hearing shall be a de novo hearing. The employer or insurer shall continue payment of compensation until the filing of the decision of the compensation judge and thereafter as the compensation judge, court of appeals, or supreme court directs.*

Sec. 37. Minnesota Statutes 1983 Supplement, section 176.242, subdivision 1, is amended to read:

Subdivision 1. [NOTICE OF DISCONTINUANCE; GROUNDS.] If an employer or insurer files a notice of intention to discontinue *weekly payments of temporary total, temporary partial, or permanent total disability benefits*, the employer or insurer shall serve a copy upon the commissioner and the employee including detailed reasons for the intended discontinuance.

Sec. 38. Minnesota Statutes 1983 Supplement, section 176.242, subdivision 2, is amended to read:

Subd. 2. [CONFERENCE; REQUEST.] (a) The employee has ten calendar days from the date the notice was (SERVED) *filed with the commissioner* to request that the commissioner schedule an administrative conference to determine the appropriateness of the proposed discontinuance. The employer or insurer may request an administrative conference under this section at any time whether or not a notice of intent to discontinue is filed. *If a notice of intent to discontinue has been filed, the commissioner shall schedule an administrative conference (TO BE HELD) within ten calendar days after the commissioner receives timely notice of the (EMPLOYEE'S OR EMPLOYER'S) request for an administrative conference. If no notice of intent to discontinue has been filed and the employer or insurer has requested a conference, the commissioner shall schedule an administrative conference to be held within 30 calendar days after the commissioner receives the employer's or insurer's request for a conference.*

(b) If the employee does not, in a timely manner, request that the commissioner schedule an administrative conference, or fails to appear, without good cause, at a scheduled conference, compensation may be discontinued, subject to the employee's right under section 176.241.

(c) An employee, (OR) employer, or insurer may request a continuance of a scheduled administrative conference. If the commissioner determines that good cause exists for granting a continuance, the commissioner may grant the continuance which shall not exceed ten calendar days *unless the parties agree to a longer continuance. (NO MORE THAN ONE CONTINUANCE SHALL BE GRANTED.)* If the employee is granted a continuance, compensation need not be paid during the period of continuance but shall recommence upon the date of the conference unless the commissioner orders otherwise. *If the employer or insurer is granted a continuance, compensation shall continue to be paid during the continuance. There is no limit to the number of continuances the commissioner may grant to a party provided that the payment of compensation is subject to this clause during the continuance.*

(d) The purpose of an administrative conference is to determine whether reasonable grounds exist for a discontinuance.

Sec. 39. Minnesota Statutes 1983 Supplement, section 176.242, subdivision 6, is amended to read:

Subd. 6. [EFFECT OF DECISION, (APPEAL) REVIEW, TOLLING.] (a) If an objection or a petition is filed under subdivision 5, the commissioner's administrative decision remains in effect and the parties obligations or rights to pay or receive compensation are governed by the commissioner's administrative decision, pending a determination by a compensation judge pursuant to section 176.241.

(b) *If a party seeks a review of the commissioner's determination involving issues of maximum medical improvement or whether a job offer meets the criteria under section 176.101, subdivisions 3(e), 3(f), or 3(p), the 90-day period referred to in those subdivisions are tolled and commence on the date of filing of a final determination on the issue. For purposes of this subdivision, a "final determination" means a decision from which no appeal has been or may be taken.*

Sec. 40. Minnesota Statutes 1983 Supplement, section 176.242, subdivision 8, is amended to read:

Subd. 8. [WHEN DISCONTINUANCE ALLOWED.] Compensation shall not be discontinued prior to an administrative conference except as provided under subdivision 2, clause (b), or if the commissioner determines pursuant to subdivision 3 that no administrative conference is necessary. The employer may discontinue compensation immediately without having an administrative conference if the discontinuance is because the employee has returned to work. *If the commissioner has denied a requested discontinuance and a compensation judge later rules that the discontinuance was proper, payments made under the commissioner's order as provided under subdivision 4 shall be treated as an overpayment which the employer or insurer may recover from the employee subject to the provisions of section 176.179.*

Sec. 41. Minnesota Statutes 1983 Supplement, section 176.243, subdivision 3, is amended to read:

Subd. 3. [EMPLOYEE REQUEST FOR ADMINISTRATIVE CONFERENCE.] If the employee objects to the action of the insurer regarding payment of compensation upon the cessation of work by the employee or regarding the payment of temporary partial disability benefits, the employee may request an administrative conference with the commissioner to resolve disputed issues. A request for an administrative conference shall be made within ten calendar days after service of the notice on the

employee. If the employee requests an administrative conference the commissioner shall schedule a conference to be held within 14 calendar days after the commissioner receives the request.

Sec. 42. Minnesota Statutes 1982, section 176.271, subdivision 2, is amended to read:

Subd. 2. Before a proceeding is initiated pursuant to subdivision 1 the party contemplating initiation of a proceeding shall notify the party against whom the proceeding will be directed including an employer who has an interest in the matter and shall state the relief that will be sought in the proceeding. If the party to whom the notice is directed does not respond to the satisfaction of the party supplying the notice within 15 days of the receipt of the notice a proceeding may be initiated pursuant to subdivision 1. This notification is not required in cases where compliance with this subdivision would result in the claim being barred by section 176.151 or other sections or a proceeding under section 176.103, 176.242, or 176.243 or other proceeding for which the commissioner determines this notice is not necessary.

Sec. 43. Minnesota Statutes 1982, section 176.351, is amended by adding a subdivision to read:

*Subd. 2a. [SUBPOENAS NOT PERMITTED.] A member of the rehabilitation review panel or medical services board or an employee of the department who has conducted an administrative conference or hearing under section 176.102, 176.103, 176.135, 176.136, 176.242, or 176.243, shall not be subpoenaed to testify regarding the conference, hearing, or concerning a mediation session. A member of the rehabilitation review panel, medical services board, or an employee of the department may be required to answer written interrogatories limited to the following questions:*

(a) *Were all statutory and administrative procedural rules adhered to in reaching the decision?*

(b) *If the answer to question (a) is no, what deviations took place?*

(c) *Did the person making the decision consider all the information presented to him or her prior to rendering a decision?*

(d) *Did the person making the decision rely on information outside of the information presented at the conference or hearing in making the decision?*

(e) *If the answer to question (d) is yes, what other information was relied upon in making the decision?*

*In addition, for a hearing with a compensation judge and with the consent of the compensation judge, an employee of the department who conducted an administrative conference, hearing, or mediation session, may be requested to answer written interrogatories relating to statements made by a party at the prior proceeding. These interrogatories shall be limited to affirming or denying that specific statements were made by a party.*

Sec. 44. Minnesota Statutes 1983 Supplement, section 176.361, is amended to read:

176.361 [INTERVENTION.]

*Subdivision 1. [RIGHT TO INTERVENE.] A person who has an interest in any matter before the workers' compensation court of appeals, or commissioner, or compensation judge such that the person may either gain or lose by an order or decision may intervene in the proceeding by filing an application in writing stating the facts which show the interest. The commissioner is considered to have an interest and shall be permitted to intervene at the appellate level when a party relies in its claim or defense upon any statute or rule administered by the commissioner, or upon any rule, order, requirement, or agreement issued or made under the statute or rule.*

*The commissioner (AND) may adopt rules, not inconsistent with this section to govern intervention. The workers' compensation court of appeals shall adopt rules to govern the procedure for intervention in matters before it.*

If the department of public welfare or the department of economic security seeks to intervene in any matter before the division, a compensation judge or the workers' compensation court of appeals, a nonattorney employee of the department, acting at the direction of the staff of the attorney general, may prepare, sign, serve and file motions for intervention and related documents and appear at prehearing conferences. *Any other interested party may intervene using a nonattorney.* This activity shall not be considered to be the unauthorized practice of law.

*Subd. 2. [WRITTEN APPLICATION.] A person desiring to intervene in a workers' compensation case as a party, including but not limited to a health care provider who has rendered services to an employee or an insurer who has paid benefits under section 176.191, shall submit a timely written application to intervene to the compensation or settlement judge to whom the case has been assigned. If the case has not yet been assigned, the application shall be made to the calendar judge if the case has been certified to the office, or to the division if the case has not been certified to the office.*



(a) *The application must be served on all parties either personally, by first class mail, or registered mail, return receipt requested. An application to intervene must be served and filed within 60 days after a person has received notice that a petition has been filed as provided in this section. An untimely motion is subject to denial under subdivision 7.*

(b) *In any other situation, timeliness will be determined by the judge in each case based on circumstances at the time of filing. The application must show how the moving party's legal rights, duties, or privileges may be determined or affected by the case; state the grounds and purposes for which intervention is sought; and indicate the moving party's statutory right to intervene. The application must be accompanied by the following, if applicable:*

(1) *an itemization of disability payments showing the period during which the payments were or are being made; the weekly or monthly rate of the payments; and the amount of reimbursement claimed;*

(2) *a summary of the medical or treatment payments, or rehabilitation services provided by the division of vocational rehabilitation, broken down by creditor, showing the total bill submitted, the period of treatment or rehabilitation covered by that bill, the amount of payment on that bill, and to whom the payment was made;*

(3) *copies of all medical or treatment bills on which some payment was made;*

(4) *copies of the work sheets or other information stating how the payments on medical or treatment bills were calculated;*

(5) *a copy of the relevant policy or contract provisions upon which the claim for reimbursement is based;*

(6) *a proposed order allowing intervention with sufficient copies to serve on all parties;*

(7) *the name and telephone number of the person representing the intervenor who has authority to reach a settlement of the issues in dispute;*

(8) *proof of service or copy of the registered mail receipt;*

(9) *at the option of the intervenor, a proposed stipulation which states that all of the payments for which reimbursement is claimed are related to the injury or condition in dispute in the case and that, if the petitioner is successful in proving the compensability of the claim, it is agreed that the sum be reimbursed to the intervenor; and*

(10) if represented by an attorney, the name, address, telephone number, and Minnesota supreme court license number of the attorney.

*Subd. 3. [STIPULATION.] If the person submitting the application for intervention has included a proposed stipulation, all parties shall either execute and return the signed stipulation to the intervenor who must file it with the division or judge or serve upon the intervenor and all other parties and file with the division specific and detailed objections to any payments made by the intervenor which are not conceded to be correct and related to the injury or condition the petitioner has asserted is compensable. If a party has not returned the signed stipulation or filed objections within 30 days of service of the application, the intervenor's right to reimbursement for the amount sought is deemed established provided that the petitioner's claim is determined to be compensable.*

*Subd. 4. [ATTENDANCE BY INTERVENOR.] Unless a stipulation has been signed and filed or the intervenor's right to reimbursement has otherwise been established, the intervenor shall attend all settlement or pretrial conferences and shall attend the regular hearing if ordered to do so by the compensation judge.*

*Subd. 5. [ORDER.] If an objection to intervention remains following settlement or pretrial conferences, the calendar judge shall rule on the intervention and the order is binding on the compensation judge to whom the case is assigned for hearing.*

*Subd. 6. [PRESENTATION OF EVIDENCE BY INTERVENOR.] Unless a stipulation has been signed and filed or the intervenor's right to reimbursement has otherwise been established, the intervenor shall present evidence in support of the claim at the hearing unless otherwise ordered by the compensation judge.*

*Subd. 7. [EFFECTS OF NONCOMPLIANCE.] Failure to comply with this section shall not result in a denial of the claim for reimbursement unless the compensation judge, commissioner, medical services review board, or settlement judge determines that the noncompliance has materially prejudiced the interests of the other parties.*

Sec. 45. Minnesota Statutes 1983 Supplement, section 176.421, subdivision 7, is amended to read:

*Subd. 7. [RECORD OF PROCEEDINGS.] At the division's own expense, the commissioner shall make a complete record of all proceedings before the commissioner and shall provide a stenographer or an audio magnetic recording device to make the record of the proceedings.*

The commissioner shall furnish a transcript of these proceedings to any person who requests it and who pays a reasonable charge which shall be set by the commissioner. Upon a showing of cause, the commissioner may direct that a transcript be prepared without expense to the person requesting the transcript, in which case the cost of the transcript shall be paid by the division. Transcript fees received under this subdivision shall be paid to the workers' compensation division account in the state treasury and shall be annually appropriated to the division for the sole purpose of providing a record and transcripts as provided in this subdivision. *This subdivision does not apply to any administrative conference or other proceeding before the commissioner which may be heard de novo in another proceeding including but not limited to proceedings under section 176.102, 176.103, 176.242, or 176.243.*

Sec. 46. Minnesota Statutes 1983 Supplement, section 176.442, is amended to read:

176.442 [APPEALS FROM DECISIONS OF COMMISSIONER.]

*Except for a commissioner's decision which may be heard de novo in another proceeding including a decision from an administrative conference under section 176.102, 176.103, 176.242, or 176.243, any decision or determination of the commissioner affecting a right, privilege, benefit, or duty which is imposed or conferred under this chapter is subject to review by the workers' compensation court of appeals. A person aggrieved by the determination may appeal to the workers' compensation court of appeals by filing a notice of appeal with the commissioner in the same manner and within the same time as if the appeal were from an order or decision of a compensation judge to the workers' compensation court of appeals.*

Sec. 47. Minnesota Statutes 1983 Supplement, section 176.66, subdivision 10, is amended to read:

Subd. 10. [MULTIPLE EMPLOYERS OR INSURERS; LIABILITY.] The employer liable for the compensation for a personal injury under this chapter is the employer in whose employment the employee was last exposed in a significant way to the hazard of the occupational disease. In the event that the employer who is liable for the compensation had multiple insurers during the employee's term of employment, the insurer who was on the risk during the employee's last significant exposure to the hazard of the occupational disease is the liable party. *If this last employer had coverage for workers' compensation liability from more than one insurer during the employment, the insurer on the risk during the last period during which the employee was last exposed to the hazard of the occupational disease shall pay benefits as provided under section 176.191, subdivision 1, whether or*

*not this insurer was on risk during the last significant exposure. The party making payments under this section shall be reimbursed by the party who is subsequently determined to be liable for the occupational disease, including interest at a rate of 12 percent a year. For purposes of this section, a self-insured employer shall be considered to be an insurer and an employer. Where there is a dispute as to which employer is liable under this section, the employer in whose employment the employee is last exposed to the hazard of the occupational disease shall pay benefits pursuant to section 176.191, subdivision 1.*

Sec. 48. Minnesota Statutes 1983 Supplement, section 176.66, subdivision 11, is amended to read:

Subd. 11. [AMOUNT OF COMPENSATION.] The compensation for an occupational disease is  $66\frac{2}{3}$  percent of the employee's weekly wage on the date of injury subject to a maximum compensation equal to the maximum compensation in effect on the date of last exposure. The employee shall be (IMMEDIATELY) eligible for supplementary benefits *notwithstanding the provisions of section 176.132, after four years have elapsed since the date of last significant exposure to the hazard of the occupational disease* if that employee's weekly compensation rate is less than (65 PERCENT OF THE STATEWIDE AVERAGE WEEKLY WAGE) *the current supplementary benefit rate.*

Sec. 49. Minnesota Statutes 1983 Supplement, section 176.85, subdivision 1, is amended to read:

Subdivision 1. [APPEAL PROCEDURE.] If the commissioner has assessed a penalty against a party subject to this chapter and the party believes the penalty is not warranted, the party may request that a formal hearing be held on the matter. *The request must be filed within 30 days of the date that the penalty assessment is served on the party.* Upon receipt of a timely request for a hearing the commissioner shall refer the matter to the chief hearing examiner for assignment to a compensation judge or hearing examiner.

The chief hearing examiner shall keep a record of the proceeding and provide a record pursuant to section 176.421.

The decision of the compensation judge or hearing examiner shall be final and shall be binding and enforceable. The decision may be appealed to the workers' compensation court of appeals.

Sec. 50. [ADMINISTRATIVE CONFERENCE SCHEDULING.]

*Notwithstanding anything to the contrary in section 176.242, subdivision 2, clause (a), an administrative conference pursu-*

ant to section 176.242 shall be scheduled within ten business days after the commissioner receives timely notice of the employee's request for a conference. This section applies to a conference which is requested on or after the effective date of this section and before November 1, 1984, after which time the provisions of section 176.242, subdivision 2, clause (a), apply.

**Sec. 51. [STUDY.]**

*The requirement of Laws 1983, chapter 301, section 32, that the commissioner shall study the need for establishing criteria which would determine whether a workers' compensation claim is handled by the division's attorneys, referred for private action, or referred for arbitration or mediation and report to the legislature is removed.*

**Sec. 52. [REPEALER.]**

*Minnesota Statutes 1982, sections 79.22, subdivision 2; and Minnesota Statutes 1983 Supplement, sections 147.02, subdivision 4; 176.129, subdivision 5, are repealed.*

**Sec. 53. [APPLICATION OF LAWS 1983, CHAPTER 290, SECTIONS 84, 106, AND 107.]**

*Laws 1983, chapter 290, sections 84, 106, and 107 apply to proceedings conducted after September 30, 1983, whether or not the injury occurred prior to that date.*

**Sec. 54. [EFFECTIVE DATE.]**

*The amendments in sections 1 to 12, 14, 17, 18, and 48 are not substantive in nature and are clarifications of legislative intent of Laws 1983, chapter 290, and apply to an injury occurring after December 31, 1983. The amendments in sections 25, 32 to 37, 40, 41, 45, and 46 are procedural in nature and are clarifications of Laws 1983, chapter 290, and apply to proceedings conducted after June 31, 1983, whether or not the injury occurred prior to that date. Failure to cite a specific section in this act as non-substantive or procedural shall not be construed by itself to mean that the section is a substantive change in the law. Section 24 applies to an injury for which a claim is pending or a claim made after the effective date of this act regardless of the date of injury. This act is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to workers' compensation; clarifying the law concerning ridesharing; providing for miscellaneous changes in the workers' compensation process; amending Min-

nesota Statutes 1982, sections 176.231, subdivision 1; 176.241, subdivisions 1 and 3, and by adding subdivisions; 176.271, subdivision 2; 176.351, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 79.34, subdivision 1; 176.041, subdivision 1; 176.101, subdivisions 3a, 3b, 3e, 3g, 3i, 3j, 3l, 3m, 3o, 3q, 3r, and 3t; 176.102, subdivisions 3a and 9; 176.103, subdivisions 3, and by adding a subdivision; 176.104, subdivisions 1 and 2; 176.129, subdivisions 3, 4, and by adding a subdivision; 176.135, subdivision 1, and by adding a subdivision; 176.138; 176.183, subdivision 1; 176.221, subdivisions 1, 3, and by adding a subdivision; 176.231, subdivision 9; 176.241, subdivision 2; 176.242, subdivisions 1, 2, 6, and 8; 176.243, subdivision 3; 176.361; 176.421, subdivision 7; 176.442; 176.66, subdivisions 10 and 11; 176.85, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1982, sections 79.22, subdivision 2; and Minnesota Statutes 1983 Supplement, sections 147.02, subdivision 4; 176.129, subdivision 5; and 176.051, subdivisions 2, 3, and 4."

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. 1771, A bill for an act relating to financial institutions; credit unions; providing for reciprocity between Minnesota credit unions and credit unions from states that have enacted similar laws; amending Minnesota Statutes 1982, section 52.03.

Reported the same back with the following amendments:

Page 2, line 1, delete "and"

Page 2, line 3, delete the period and insert "; and"

Page 2, after line 3, insert:

*"(f) the credit union complies with the provisions of chapter 52.*

*Subd. 3. [CEASE AND DESIST.] If subsequent to approval it is determined that a reciprocating state credit union is not in compliance with the criteria of subdivision 2, the commissioner may by order require such reciprocating state credit union to discontinue its Minnesota operations by a date certain. The order would be subject to the procedures applicable to cease and desist proceedings pursuant to sections 46.23 to 46.33 and any rules promulgated thereunder.*

## Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment."*

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. 1778, A bill for an act relating to environment; changing the date by which the pollution control agency must adopt an acid deposition standard for acid deposition in certain sensitive areas; amending Minnesota Statutes 1982, section 116.44, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1799, A bill for an act relating to Hubbard County; authorizing a special levy for park and recreation purposes.

Reported the same back with the following amendments:

Page 1, after line 11, insert:

"Sec. 2. [APPROPRIATION.]

*Hubbard county may levy a property tax not greater than one-fifth of a mill annually and disburse its proceeds to operate county agricultural fairs and maintain buildings and grounds used for county agricultural fairs. This section supersedes any inconsistent provision of Minnesota Statutes, sections 38.17, 375.18, subdivision 8, or other law. The tax provided by this act shall be disregarded in the calculation of any other levy or limit on levies provided by Minnesota Statutes, sections 275.50 to 275.56 or other law."*

Page 1, line 12, delete "EFFECTIVE DATE" and insert "LOCAL APPROVAL"

Page 1, line 13, delete "Section 1" and insert "This act"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before the period insert “; authorizing appropriations to the county agricultural society and an annual levy for that purpose”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1813, A bill for an act relating to hospital districts; providing for loans to students in health-related educational programs; amending Minnesota Statutes 1982, section 447.331.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1814, A bill for an act relating to taxation; providing for the determination of EARC adjusted assessed value; clarifying certain property tax credit provisions; simplifying iron ore valuation hearing requirements; modifying assessment procedures of certain class 3 property; altering the process for determining flexible homestead brackets; allowing for the rounding of amounts of special assessments on tax statements; changing the date for the issuance of warrants for delinquent personal property taxes; providing for additional administrative procedures for cigarette tax collection; requiring annual payment of occupation taxes; changing payment method for production taxes; adopting certain procedures relating to liquor tax collections; authorizing county treasurers to charge for dishonored checks; amending Minnesota Statutes 1982, sections 124.2131; 273.1104, subdivision 2; 277.03; 298.09, subdivision 2; 298.27; 298.282, subdivision 3; 340.601; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 273.13, subdivision 21; 273.1311; 276.04; and 298.28, subdivision 1; proposing new law coded in Minnesota Statutes, chapters 297; 340; and 385; repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048.



Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 124.2137, 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 29 percent of the tax levy imposed on up to 320 acres of land including the buildings and structures thereon but excluding (THE HOMESTEAD DWELLING AND SURROUNDING ONE) *an acre of land for each dwelling*. 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 13 percent of the tax levy imposed 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 ten percent of the tax levy imposed on the property. The tax on the first 320 acres of agricultural land classified pursuant to section 273.13, subdivision 4, *including buildings and structures thereon but excluding all dwellings and an acre of land for each dwelling*, 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 equal to 13 percent of the tax imposed 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 ten percent of the tax levy imposed on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a certification to the county auditor for corrections. The amount of the reduction provided under this subdivision which any taxpayer can receive on all qualifying property which he owns shall not exceed \$2,000 in the case of agricultural property and shall not exceed \$100 in the case of seasonal residential recreational property. In the case of property owned by more than one person, the maximum amount of the reduction shall apply to the total of all the owners. For purposes of computing the credit pursuant to this subdivision, the "tax levy" shall be the tax levy reduced by the credits provided by sections 273.115, 273.116, 273.123, 273.42, subdivision 2, and 473H.10.

Sec. 2. Minnesota Statutes 1982, section 273.1104, subdivision 2, is amended to read:

Subd. 2. On or before October 1 in each year, the commissioner shall send to each person subject to the tax on unmined iron ores and to each taxing district affected, a notice of the assessed valuation of the unmined ores as determined by the commissioner. Said notice shall be sent by mail directed to such person at the address given in the report filed by him and the assessor of such taxing district, but the validity of the tax shall not be affected by the failure of the commissioner of revenue to mail such notice or the failure of the person subject to the tax to receive it.

On the first secular day following the tenth day of October, the commissioner of revenue shall hold a hearing (AT HIS OFFICE IN ST. PAUL) which may be adjourned from day to day. All relevant and material evidence having probative value with respect to the issues shall be submitted at the hearing and such hearing shall not be a "contested case" within the meaning of section 14.02, subdivision 3. Every person subject to such tax may at such hearing present evidence and argument on any matter bearing upon the validity or correctness of the tax determined to be due from him, and the commissioner of revenue shall review his determination of such tax.

Sec. 3. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 7, is amended to read:

Subd. 7. [CLASS 3C, 3CC.] All other real estate and class 2a property, except as provided by classes 1 and 3cc, which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed as follows: the first \$30,000 of market value shall be valued and assessed at 17 percent; the next \$30,000 of market value shall be valued and assessed at 19 percent; and the remaining market value shall be valued and assessed at 30 percent. The maximum amounts of the market value of the homestead brackets subject to the 17 percent and 19 percent rates shall be adjusted by the commissioner of revenue as provided in section 273.1311. The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to sections 273.123, 273.135, and 473H.10 shall be reduced by 54 percent of the tax imposed on the first \$67,000 of market value; provided that the amount of the reduction shall not exceed \$650. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

Class 3cc property shall include real estate or manufactured homes used for the purposes of a homestead by (a) any blind person, if the blind person is the owner thereof or if the blind person and his or her spouse are the sole owners thereof; or (b) any person (hereinafter referred to as veteran) who: (1) served in the active military or naval service of the United States and (2) is entitled to compensation under the laws and regulations of the United States for permanent and total service-connected dis-

ability due to the loss, or loss of use, by reason of amputation, ankylosis, progressive muscular dystrophies, or paralysis, of both lower extremities, such as to preclude motion without the aid of braces, crutches, canes, or a wheelchair, and (3) with assistance by the administration of veterans affairs has acquired a special housing unit with special fixtures or movable facilities made necessary by the nature of the veteran's disability, or the surviving spouse of the deceased veteran for as long as the surviving spouse retains the special housing unit as his or her homestead; or (c) any person who: (1) is permanently and totally disabled and (2) receives 90 percent or more of his total income from (i) aid from any state as a result of that disability, or (ii) supplemental security income for the disabled, or (iii) workers' compensation based on a finding of total and permanent disability, or (iv) social security disability, including the amount of a disability insurance benefit which is converted to an old age insurance benefit and any subsequent cost of living increases, or (v) aid under the Federal Railroad Retirement Act of 1937, 45 United States Code Annotated, Section 228b(a)5, or (vi) a pension from any local government retirement fund located in the state of Minnesota as a result of that disability. Property shall be classified and assessed (AS CLASS 3CC) pursuant to clause (a) only if the commissioner of (REVENUE) welfare certifies to the assessor that the owner of the property satisfies the requirements of this subdivision. *The commissioner of welfare shall provide a copy of the certification to the commissioner of revenue.* Class 3cc property shall be valued and assessed as follows: in the case of agricultural land, including a manufactured home, used for a homestead, the first \$30,000 of market value shall be valued and assessed at five percent, the next \$30,000 of market value shall be valued and assessed at 14 percent, and the remaining market value shall be valued and assessed at 19 percent; and in the case of all other real estate and manufactured homes, the first \$30,000 of market value shall be valued and assessed at five percent, the next \$30,000 of market value shall be valued and assessed at 19 percent, and the remaining market value shall be valued and assessed at 30 percent. In the case of agricultural land including a manufactured home used for purposes of a homestead, the commissioner of revenue shall adjust, as provided in section 273.1311, the maximum amount of the market value of the homestead brackets subject to the five percent and 14 percent rates; and for all other real estate and manufactured homes, the commissioner of revenue shall adjust, as provided in section 273.1311, the maximum amount of the market value of the homestead brackets subject to the five percent and 19 percent rates. Permanently and totally disabled for the purpose of this subdivision means a condition which is permanent in nature and totally incapacitates the person from working at an occupation which brings him an income. The property tax to be paid on class 3cc property as otherwise determined by law, less any reduction received pursuant to section 273.135 shall be reduced by 54 percent of the tax imposed on the first \$67,000 of market value; provided that the amount of the reduction shall not exceed \$650.

For purposes of this subdivision, homestead property which qualifies for the classification ratios and credits provided in this subdivision shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening property. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily for future development. In order to receive homestead treatment for the noncontiguous property, the owner shall apply for it to the assessor by July 1 of 1983 or the year when the treatment is initially sought. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

Sec. 4. Minnesota Statutes 1983 Supplement, section 273.1311, is amended to read:

273.1311 [FLEXIBLE HOMESTEAD BRACKETS.]

The maximum amount of the market value of the homestead brackets shall be adjusted as provided in this section.

For taxes payable in 1985 and subsequent years, the commissioner shall adjust the brackets used in the preceding assessment by the estimated percentage increase in the statewide average assessors' estimated market value, *as equalized by the state board of equalization*, of a residential home for the current assessment over the previous assessment. The revised bracket shall be rounded to the nearest \$500. The commissioner of revenue shall determine and announce the revised bracket on (OCTOBER 1) *December 15* of each year preceding the assessment date.

Sec. 5. Minnesota Statutes 1983 Supplement, section 273.1315, is amended to read:

273.1315 [CERTIFICATION OF 3CC PROPERTY.]

Any property owner seeking classification and assessment of his homestead as class 3cc property pursuant to section 273.13, subdivision 7, *clause (b) or (c)*, shall file with the commissioner of revenue for each assessment year a 3cc homestead declaration, on a form prescribed by the commissioner. The declaration shall contain the following information:

(a) the information necessary to verify that the property owner or his spouse satisfies the requirements of section 273.13, subdivision 7, for 3cc classification;

(b) the property owner's household income, as defined in section 290A.03, for the previous calendar year; and

(c) any additional information prescribed by the commissioner.

The declaration shall be filed on or before (FEBRUARY) *March* 1 of each year to be effective for property taxes payable during the succeeding calendar year. The declaration and any supplementary information received from the property owner pursuant to this section shall be subject to section 290A.17.

The commissioner shall provide to the assessor on or before April 1 a listing of the parcels of property qualifying for 3cc classification.

Sec. 6. Minnesota Statutes 1983 Supplement, section 275.50, subdivision 5, is amended to read:

Subd. 5. Notwithstanding any other law to the contrary for taxes levied in 1983 payable in 1984 and subsequent years, "special levies" means those portions of ad valorem taxes levied by governmental subdivisions to:

(a) satisfy judgments rendered against the governmental subdivision by a court of competent jurisdiction in any tort action, or to pay the costs of settlements out of court against the governmental subdivision in a tort action when substantiated by a stipulation for the dismissal of the action filed with the court of competent jurisdiction and signed by both the plaintiff and the legal representative of the governmental subdivision, but only to the extent of the increase in levy for such judgments and out of court settlements over levy year 1970, taxes payable in 1971;

(b) pay the costs of complying with any written lawful order initially issued prior to January 1, 1977 by the state of Minnesota, or the United States, or any agency or subdivision thereof, which is authorized by law, statute, special act or ordinance and is enforceable in a court of competent jurisdiction, or any stipulation agreement or permit for treatment works or disposal system for pollution abatement in lieu of a lawful order signed by the governmental subdivision and the state of Minnesota, or the United States, or any agency or subdivision thereof which is enforceable in a court of competent jurisdiction. The commissioner of revenue shall in consultation with other state departments and agencies, develop a suggested form for use by the state of Minnesota, its agencies and subdivisions in issuing orders pursuant to this subdivision;

(c) pay the costs to a governmental subdivision for their minimum required share of any program otherwise authorized by law for which matching funds have been appropriated by the state of Minnesota or the United States, excluding the administrative costs of public assistance programs, to the extent of the increase in levy over the amount levied for the local share of the

program for the taxes payable year 1971. This clause shall apply only to those programs or projects for which matching funds have been designated by the state of Minnesota or the United States on or before September 1, of the previous year and only when the receipt of these matching funds is contingent upon the initiation or implementation of the project or program during the year in which the taxes are payable or those programs or projects approved by the commissioner;

(d) pay the costs not reimbursed by the state or federal government, of payments made to or on behalf of recipients of aid under any public assistance program authorized by law, and the costs of purchase or delivery of social services. Except for the costs of general assistance as defined in section 256D.02, subdivision 4, general assistance medical care under section 256D.03 and the costs of hospital care pursuant to section 261.21, the aggregate amounts levied pursuant to this clause are subject to a maximum increase of 18 percent over the amount levied for these purposes in the previous year;

(e) pay the costs of principal and interest on bonded indebtedness or to reimburse for the amount of liquor store revenues used to pay the principal and interest due in the year preceding the year for which the levy limit is calculated on municipal liquor store bonds;

(f) pay the costs of principal and interest on certificates of indebtedness, except tax anticipation or aid anticipation certificates of indebtedness, issued for any corporate purpose except current expenses or funding an insufficiency in receipts from taxes or other sources or funding extraordinary expenditures resulting from a public emergency; and to pay the cost for certificates of indebtedness issued pursuant to sections 298.28 and 298.282;

(g) fund the payments made to the Minnesota state armory building commission pursuant to section 193.145, subdivision 2, to retire the principal and interest on armory construction bonds;

(h) provide for the bonded indebtedness portion of payments made to another political subdivision of the state of Minnesota;

(i) pay the amounts required to compensate for a decrease in manufactured homes property tax receipts to the extent that the governmental subdivision's portion of the total levy in the current levy year, pursuant to section 273.13, subdivision 3, as amended, is less than the distribution of the manufactured homes tax to the governmental subdivision pursuant to section 273.13, subdivision 3, in calendar year 1971;

(j) pay the amounts required, in accordance with section 275.075, to correct for a county auditor's error of omission but

only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(k) pay amounts required to correct for an error of omission in the levy certified to the appropriate county auditor or auditors by the governing body of a city or town with statutory city powers in a levy year, but only to the extent that when added to the preceding year's levy it is not in excess of an applicable statutory, special law or charter limitation, or the limitation imposed on the governmental subdivision by sections 275.50 to 275.56 in the preceding levy year;

(l) pay the increased cost of municipal services as the result of an annexation or consolidation ordered by the Minnesota municipal board but only to the extent and for the levy years as provided by the board in its order pursuant to section 414.01, subdivision 15. Special levies authorized by the board shall not exceed 50 percent of the levy limit base of the governmental subdivision and may not be in effect for more than three years after the board's order;

(m) pay the increased costs of municipal services provided to new private industrial and nonresidential commercial development, to the extent that the extension of such services are not paid for through bonded indebtedness or special assessments, and not to exceed the amount determined as follows. The governmental subdivision may calculate the aggregate of:

(1) The increased expenditures necessary in preparation for the delivering of municipal services to new private industrial and nonresidential commercial development, but limited to one year's expenditures one time for each such development;

(2) The amount determined by dividing the overall levy limitation established pursuant to sections 275.50 to 275.56, and exclusive of special levies and special assessments, by the total taxable value of the governmental subdivision, and then multiplying this quotient times the total increase in assessed value of private industrial and nonresidential commercial development within the governmental subdivision. For the purpose of this clause, the increase in the assessed value of private industrial and nonresidential commercial development is calculated as the increase in assessed value over the assessed value of the real estate parcels subject to such private development as most recently determined before the building permit was issued. In the fourth levy year subsequent to the levy year in which the building permit was issued, the increase in assessed value of the real estate parcels subject to such private development shall no longer be included in determining the special levy.

The aggregate of the foregoing amounts, less any costs of extending municipal services to new private industrial and nonresidential commercial development which are paid by bonded indebtedness or special assessments, equals the maximum amount that may be levied as a "special levy" for the increased costs of municipal services provided to new private industrial and nonresidential commercial development. In the levy year following the levy year in which the special levy made pursuant to this clause is discontinued, one-half of the amount of that special levy made in the preceding year shall be added to the permanent levy base of the governmental subdivision;

(n) recover a loss or refunds in tax receipts incurred in non-special levy funds resulting from abatements or court action in the previous year pursuant to section 275.48;

(o) pay amounts required by law to be paid to pay the interest on and to reduce the unfunded accrued liability of public pension funds in accordance with the actuarial standards and guidelines specified in sections 356.215 and 356.216 reduced by 106 percent of the amount levied for that purpose in 1976, payable in 1977. For the purpose of this special levy, the estimated receipts expected from the state of Minnesota pursuant to sections 69.011 to 69.031 or any other state aid expressly intended for the support of public pension funds shall be considered as a deduction in determining the required levy for the normal costs of the public pension funds. No amount of these aids shall be considered as a deduction in determining the governmental subdivision's required levy for the reduction of the unfunded accrued liability of public pension funds;

(p) the amounts allowed under section 174.27 to establish and administer a commuter van program;

(q) pay the costs of financial assistance to local governmental units and certain administrative, engineering, and legal expenses pursuant to Laws 1979, chapter 253, section 3;

(r) compensate for revenue lost as a result of abatements or court action pursuant to sections 270.07, 270.17 or 278.01 due to a reassessment ordered by the commissioner of revenue pursuant to section 270.16;

(s) pay the total operating cost of a county jail as authorized in section 641.01. If the county government utilizes this special levy, then any amount levied by the county government in the previous year for operating its county jail and included in its previous year's levy limitation computed pursuant to section 275.51 shall be deducted from the current levy limitation;

(t) pay the cost of implementing section 18.023, including sanitation and reforestation; and



(u) pay the estimated cost for the following calendar year of the county's share of funding the Minnesota cooperative soil survey.

Sec. 7. Minnesota Statutes 1983 Supplement, section 275.51, subdivision 3i, is amended to read:

Subd. 3i. [LEVY LIMITATION.] The levy limitation for a governmental subdivision shall be equal to the adjusted levy limit base determined pursuant to subdivision 3h, reduced by (a) the total amount of local government aid that the governmental subdivision has been certified to receive pursuant to sections 477A.011 to 477A.014; (b) taconite (TAXES AND) aids pursuant to sections 298.28 and 298.282 *including any aid received in the levy year which was required to be placed in a special fund for expenditure in the next succeeding year*; (c) state reimbursements for wetlands and native prairie property tax exemptions pursuant to sections 273.115, subdivision 3 and 273.116, subdivision 3; and (d) payments in lieu of taxes to a county pursuant to section 477A.12 which are required to be used to provide property tax levy reduction certified to be paid in the calendar year in which property taxes are payable. *If the sum of the taconite aids deducted exceeds the adjusted levy limit base, the excess must be used to reduce the amounts levied as special levies pursuant to section 275.50, subdivisions 5 and 7. The commissioner of revenue shall notify a governmental subdivision of any excess taconite aids to be used to reduce special levies.*

As provided in section 298.28, subdivision 1, one cent per taxable ton of the amount distributed under section 298.28, subdivision 1, clause (4)(c) shall not be deducted from the levy limit base of the counties that receive that aid. The resulting figure is the amount of property taxes which a governmental subdivision may levy for all purposes other than those for which special levies and special assessments are made.

Sec. 8. Minnesota Statutes 1983 Supplement, section 276.04, is amended to read:

276.04 [NOTICE OF RATES; PROPERTY TAX STATEMENTS.]

On receiving the tax lists from the county auditor, the county treasurer shall, if directed by the county board, give three weeks' published notice in a newspaper specifying the rates of taxation for all general purposes and the amounts raised for each specific purpose. He shall, whether or not directed by the county board, cause to be printed on all tax statements, or on an attachment, a tabulated statement of the dollar amount due to each taxing authority and the amount to be paid to the state of Minnesota from the parcel of real property for which a particular tax statement is prepared. The dollar amounts due the state, county, town-

ship or municipality and school district shall be separately stated but the amounts due other taxing districts, if any, may be aggregated. The dollar amounts, *including the dollar amount of any special assessments*, may be rounded to the nearest even whole dollar. For purposes of this section whole odd-numbered dollars may be adjusted to the next higher even-numbered dollar. The property tax statements for class 2a property shall contain the same information that is required on the tax statements for real property. The county treasurer shall mail to taxpayers statements of their personal property taxes due, such statements to be mailed not later than February 15 (except in the case of Class 2a property), statements of the real property taxes due shall be mailed not later than January 31; provided, that the validity of the tax shall not be affected by failure of the treasurer to mail such statement. The taxpayer is defined as the owner who is responsible for the payment of the tax. Such real and personal property tax statements shall contain the market value, as defined in section 272.03, subdivision 8, used in determining the tax. The statement shall show the amount attributable to section 124.2137 as "state paid agricultural credit" and the amount attributable to section 273.13, subdivisions 6 and 7 as "state paid homestead credit." The statement shall show the reduction attributable to the aid given pursuant to section 273.139 and shall indicate that the reduction is paid by the state of Minnesota. If so directed by the county board, the treasurer shall visit places in the county as he deems expedient for the purpose of receiving taxes and the county board is authorized to pay the expenses of such visits and of preparing duplicate tax lists. Failure to mail the tax statement shall not be deemed a material defect to affect the validity of any judgment and sale for delinquent taxes.

Sec. 9. Minnesota Statutes 1982, section 277.03, is amended to read:

277.03 [DISTRESS AND SALE.]

Upon the (TWENTIETH) *tenth* secular day (OF JULY) next after the filing of such list the clerk of the district court shall issue his warrants to the sheriff of the county as to all the taxes and penalties embraced in the list, except those as to which a petition has been filed, pursuant to section 277.011, directing him to proceed to collect the same. If such taxes are not paid upon demand, the sheriff shall distrain sufficient goods and chattels belonging to the person charged with such taxes, if found within the county, to pay the same, with the said penalty of eight percent and all accruing costs, together with 25 cents from each delinquent, as compensation to the clerk of the district court. Immediately after making distress, the sheriff shall give at least ten days' posted notice in the town or district where the property is taken, stating that the property, or so much thereof as will be sufficient to pay the taxes for which it is distrained, with penalty and costs of distress and sale, will be sold at public vendue at a place and time therein designated, which

time shall not be less than ten days after such taking. If such taxes and penalties and accrued costs are not paid before the day designated, the sheriff or his deputy shall proceed to sell the property pursuant to the notice.

Sec. 10. [297.40] [EVASIONS; VIOLATIONS.]

*Subdivision 1. [ASSESSMENT, GENERALLY.] Except as otherwise provided in this chapter, the amount of any tax due shall be assessed within 3-1/2 years after a return is filed. The taxes are deemed to have been assessed within the meaning of this section whenever the commissioner of revenue has determined the tax and computed and recorded the amount of tax with respect thereto, and if the amount is found to be in excess of that originally declared on the return, whenever the commissioner has prepared a notice of tax assessment and mailed it to the taxpayer. The notice of tax assessment shall be sent by mail to the post office address given in the return and the record of the mailing shall be presumptive evidence of the giving of such notice, and such records shall be preserved by the commissioner.*

*Subd. 2. [COMPUTATION OF TIME.] For the purposes of this section, a return filed before the last day prescribed by law for the filing thereof shall be considered as filed on the last day.*

*Subd. 3. [FALSE OR FRAUDULENT RETURN AND NO RETURN.] When a company, joint stock association, copartnership, corporation, or individual required to file a return under this chapter files a false or fraudulent return or fails to file a return, the tax may be assessed, and the attorney general may begin proceedings at any time.*

*Subd. 4. [CONSENT TO EXTEND TIME.] Where before the expiration of the time prescribed in subdivision 1 for the assessment of the tax, the commissioner of revenue and the company, joint stock association, copartnership, corporation, or individual filing the return consent in writing to an extension of time for the assessment of the tax, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.*

*Subd. 5. [OMISSION IN EXCESS OF 25 PERCENT.] If the taxpayer omits an amount properly includable therein which is in excess of 25 percent of the amount of tax 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 years after the return was filed.*

Sec. 11. Minnesota Statutes 1982, section 298.09, subdivision 2, is amended to read:

Subd. 2. On the first secular day following the fourteenth day of May, the commissioner of revenue shall hold a hearing (AT HIS OFFICE IN ST. PAUL) which may be adjourned from day to day. All relevant and material evidence having probative value with respect to the issues shall be submitted at the hearing and such hearing shall not be a "contested case" within the meaning of section 14.02, subdivision 3. Every person subject to such tax may at such hearing present evidence and argument on any matter bearing upon the validity or correctness of the tax determined to be due from him, and the commissioner of revenue shall review his determination of such tax.

Sec. 12. Minnesota Statutes 1982, section 298.27, is amended to read:

#### 298.27 [COLLECTION AND PAYMENT OF TAX.]

The taxes provided by section 298.24 shall be collected and paid in the same manner as provided by law for the payment of the occupation tax, except that the report required by section 298.05 shall be filed on or before February 15 together with a remittance equal to 90 percent of the (ESTIMATED) tax required to be paid hereunder on or before April 15. On or before February 25, the commissioner of revenue shall make distribution of (SUCH ESTIMATED) *the* payment in the manner provided by section 298.28. The commissioner of revenue shall determine the amount of tax due on or before March 15. The (TAX FOUND TO BE) *balance* due shall be paid on or before April 15 following the production year. Reports shall be made and hearings held upon the determination of the tax in accordance with procedures established by the commissioner of revenue. The commissioner of revenue shall have authority to make reasonable regulations as to the form and manner of filing reports necessary for the determination of the tax hereunder, and by such regulations may require the production of such information as may be reasonably necessary or convenient for the determination and apportionment of the tax. All the provisions of the occupation tax law with reference to the assessment, determination, and collection of the occupation tax, including all provisions for appeals from or review of the orders of the commissioner of revenue relative thereto, are hereby made applicable to the taxes imposed by section 298.24 except in so far as inconsistent herewith. If any person subject to section 298.24 shall fail to make the report provided for in this section at the time and in the manner herein provided, the commissioner of revenue shall in such case, upon such information as he may possess or obtain, ascertain the kind and amount of ore mined or produced and thereon find and determine the amount of the tax due from such person. There shall be added to the amount of tax due a penalty for failure to report on or before February 15, which penalty shall equal ten percent of the tax imposed and be treated as a part thereof.

If any person (REQUIRED TO MAKE AN ESTIMATED) *responsible for making a partial tax payment at the time and in the manner herein provided* (, AND) fails to do so, there shall be imposed a penalty equal to ten percent of the amount so due, which penalty shall be treated as part of the tax due.

In the case of any underpayment of the (ESTIMATED) *partial tax payment required herein*, there may be added and be treated as part of the tax due a penalty equal to ten percent of the amount so underpaid.

If any portion of the taxes provided for in section 298.24 is not paid before the fifteenth day of April of the year in which due and payable, a penalty of ten percent of such unpaid portion shall immediately accrue, and thereafter one percent per month shall be added to such tax and penalty while such tax remains unpaid.

Sec. 13. Minnesota Statutes 1982, section 298.282, subdivision 3, is amended to read:

Subd. 3. If the amount certified by the commissioner of revenue as distributable to any qualifying municipality is greater than the amount previously estimated to have been distributable to such qualifying municipality in such year, the excess distributed to such municipality shall be held in a separate fund by the qualifying municipality and shall not be expended until the succeeding calendar year (AND SHALL BE DEDUCTED, FIRST, FROM THE PERMISSIBLE GENERAL LEVY AND THEN PROPORTIONATELY FROM PERMISSIBLE EXCESS LEVIES OF THE QUALIFYING MUNICIPALITY IN THE SUCCEEDING CALENDAR YEAR). If the amount distributable to any qualifying municipality, after final determination by the commissioner of revenue is less than the amount estimated to have been distributable to such qualifying municipality, such municipality may issue certificates of indebtedness in the amount of the shortage and may include in its next tax levy in excess of (THEN EXISTING LEVY LIMITATIONS) *the limitations under sections 275.50 to 275.56*, an amount sufficient to pay such certificates of indebtedness and interest thereon or, if no certificates were issued, an amount equal to such shortage.

Sec. 14. Minnesota Statutes 1982, section 340.601, is amended to read:

**340.601 [IMPORT; TAX EVASION, MISDEMEANOR.]**

Any person, excluding persons of minor age and other disqualified persons as provided by sections 340.73 and 340.78, who enters the state of Minnesota from another state may have in his personal possession one (QUART (32 OUNCES)) *liter* of intoxicating liquor or *288 ounces* of fermented malt beverages or who enters the state of Minnesota from a foreign country may

have in his possession (ONE GALLON (128 OUNCES)) *four liters* of intoxicating liquor or ten quarts (320 ounces) of fermented malt beverages without the required payment of the Minnesota excise tax. Any collector of commemorative bottles as defined in section 340.44, clauses (6) and (7), excluding persons of minor age and other disqualified persons as provided by sections 340.73 and 340.78, who enters the state of Minnesota from another state may have in his personal possession 12 or fewer commemorative bottles without the required payment of the Minnesota excise tax. Any person who shall import or have in his possession any such untaxed intoxicating liquor or fermented malt beverages in excess of the quantities provided for in this section is guilty of a misdemeanor. The foregoing provisions do not apply to the consignments of alcoholic beverages shipped into this state by holders of Minnesota import licenses or Minnesota manufacturers and wholesalers of such beverages when duly licensed by the commissioner or to common carriers with licenses to sell intoxicating liquor in more than one state. Any peace officer, the commissioner, or his authorized agents, may seize such untaxed liquor.

Sec. 15. [340.987]

*Subdivision 1. [COMMISSIONER TO EXAMINE AND CORRECT RETURN; COLLECTION OF DEFICIENCY.]* As soon as practicable after any return is filed as directed by this chapter, the commissioner shall examine the return and correct it, if necessary, according to his best judgment and information. The return, together with the commissioner's corrections, if any, shall be prima facie correct and shall be prima facie evidence of the correctness of the amount of tax due, as shown therein. If the commissioner finds that any amount of tax is due and unpaid, he shall notify the taxpayer of the deficiency, stating that he proposes to assess the amount due together with interest and penalties as hereinafter provided. If a deficiency disclosed by the commissioner's examination cannot be allocated by him to a particular month or months, he shall notify the taxpayer of the deficiency, assessing the amount due for a given period without allocating it to any particular month or months, together with the penalty provided in the case of other corrected returns. If any taxpayer making any return shall die or shall become incompetent at any time before the commissioner issues his notice that he proposes to assess an amount due, that notice shall be issued to the administrator, executor, or other legal representative, as such, of that distributor.

*Subd. 2. [MONTHLY TAX PAYMENTS; PENALTY FOR NONPAYMENT.]* All taxes shall be due and payable as directed in this chapter, and taxes not paid shall bear interest at the rate specified in section 270.75. The commissioner in issuing his final assessment shall add to the amount of tax found due and unpaid a penalty of ten percent thereof, except that, if he

*finds that the taxpayer has made a false and fraudulent return with intent to evade the tax imposed by this chapter, the penalty shall be 25 percent of the entire tax as shown by the corrected return. If the tax is not paid within the time herein specified for the payment thereof or within 30 days after final determination of an appeal to the Minnesota tax court relating thereto, there shall be added thereto a specific penalty equal to ten percent of the amount so remaining unpaid, but in no event shall the penalty for failure to pay the tax within the time provided for payment be less than \$10. The commissioner is authorized to extend the time for paying the tax without penalty for good cause shown.*

*Subd. 3. [RECOVERY BY COMMISSIONER.] The commissioner may recover the amount of any tax due and unpaid, interest, and any penalty in a civil action. The collection of a tax, interest, or penalty shall not be a bar to any prosecution under this chapter.*

*Subd. 4. [PENALTY; MAXIMUM; MINIMUM; EXTENSION.] If any return required to be filed under the provisions of this section is not filed within the time herein specified, a penalty of five percent of the unpaid tax remaining each month up to a maximum of 25 percent is imposed, but in no event shall the penalty for failing to timely file a return be less than \$10. The commissioner of revenue is authorized to extend the time for filing a return without penalty for good cause shown.*

**Sec. 16. [340.988] [EVASIONS; VIOLATIONS.]**

*Subdivision 1. [ASSESSMENT, GENERALLY.] Except as otherwise provided in this chapter, the amount of any tax due shall be assessed within 3-1/2 years after the return is filed. The taxes are deemed to have been assessed within the meaning of this section whenever the commissioner of revenue has determined the tax and computed and recorded the amount of tax with respect thereto, and if the amount is found to be in excess of that originally declared on the return, whenever the commissioner has prepared a notice of tax assessment and mailed it to the taxpayer. The notice of tax assessment shall be sent by mail to the post office address given in the return and the record of mailing shall be presumptive evidence of the giving of notice, and such records shall be preserved by the commissioner.*

*Subd. 2. [COMPUTATION OF TIME.] For the purposes of this section, a return filed before the last day prescribed by law for the filing thereof is considered as filed on the last day.*

*Subd. 3. [FALSE OR FRAUDULENT RETURN AND NO RETURN.] When a company, joint stock association, copartnership, corporation, or individual required to file a return under this chapter files a false or fraudulent return or fails to*

*file a return, the tax may be assessed, and the attorney general may begin proceedings at any time.*

*Subd. 4. [CONSENT TO EXTEND TIME.] Where, before the expiration of the time prescribed in subdivision 1 for the assessment of the tax, the commissioner of revenue and the company, joint stock association, copartnership, corporation, or individual filing the return consent in writing to an extension of time for the assessment of the tax, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.*

*Subd. 5. [OMISSION IN EXCESS OF 25 PERCENT.] If the taxpayer omits an amount properly includable therein which is in excess of 25 percent of the amount of tax 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 years after the return was filed.*

Sec. 17. [385.42] [IMPOSITION OF PENALTY.]

*If authorized by a resolution of the county board, the county treasurer shall impose a charge for all dishonored checks. The amount of the charge shall be established by the county board, not to exceed \$15.*

Sec. 18. [REPEALER.]

*Minnesota Statutes 1982, sections 298.045, 298.046, 298.047, and 298.048, are repealed.*

Sec. 19. [EFFECTIVE DATES.]

*Sections 1, 4, and 8, are effective for taxes levied in 1984 and thereafter, payable in 1985 and thereafter. Sections 2, 3, 5 to 7, 9 to 11, and 14 to 18, are effective the day following final enactment. Sections 12 and 13 are effective for taxes payable in 1985 and thereafter."*

Delete the title and insert:

"A bill for an act relating to taxation; clarifying certain property tax credit provisions; providing that amounts to pay certain certificates are a special levy; providing for deduction of tacomite aids from levy limit base; simplifying iron ore valuation hearing requirements; altering the process for determining flexible homestead brackets; allowing for the rounding of amounts of special assessments on tax statements; changing the date for the issuance of warrants for delinquent personal property taxes;



providing for additional administrative procedures for cigarette tax collection; requiring annual payment of occupation taxes; changing payment method for production taxes; adopting certain procedures relating to liquor tax collections; authorizing county treasurers to charge for dishonored checks; amending Minnesota Statutes 1982, sections 273.1104, subdivision 2; 277.03; 298.09, subdivision 2; 298.27; 298.282, subdivision 3; 340.601; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 273.13, subdivision 7; 273.1311; 273.1315; 275.50, subdivision 5; 275.51, subdivision 3i; and 276.04; proposing new law coded in Minnesota Statutes, chapters 297; 340; and 385; repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048."

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1815, A bill for an act relating to taxation; property; eliminating obsolete language; making technical changes; and repealing obsolete provisions; amending Minnesota Statutes 1982, sections 272.02, subdivisions 2, 3, and 5; 272.20; 272.21; 272.32; 272.37; 272.64; 273.05, subdivision 1; 273.061, subdivision 2; 273.08; 273.1105, subdivision 5; 273.111, subdivisions 8 and 11; 273.115, subdivision 5; 273.116, subdivisions 1 and 5; 273.13, subdivisions 7a, 15a, and 19; 273.135, subdivision 3; 273.1391, subdivision 3; 273.22; 275.02; 275.49; 275.51, subdivisions 1 and 4; 360.037, subdivision 2; 373.31, subdivision 2; 375.167, subdivision 1; 473F.02, subdivision 3; 473H.10, subdivision 3; 475.53, subdivisions 1, 3, and 5; Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; 273.115, subdivision 1; 273.13, subdivisions 6, 7, 7d, and 14a; 273.138, subdivision 6; 507.235, subdivision 2; repealing Minnesota Statutes 1982, sections 270.90; 272.34; 272.35; 272.36; 272.61; 272.62; 272.63; 272.66; 273.04; 273.111, subdivision 8a; 273.13, subdivision 14; 273.27; 273.56; 275.09; 275.091; 275.161; 275.23; 275.44; 275.45; 275.46; 275.47; 368.86; and 382.19.

Reported the same back with the following amendments:

Page 2, line 6, after "structures" insert "and the structures"

Page 3, line 19, before "All" insert "Except for the taxable personal property enumerated below,"

Page 3, line 20, strike ", except" and insert "shall be exempt."

Page 3, line 21, begin a new paragraph and after "*following*" insert "*personal property*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 1819, A bill for an act relating to health; requiring that hearing aid sellers give buyers a right to cancel their purchase; amending Minnesota Statutes 1982, section 145.43, by adding a subdivision; repealing Minnesota Statutes 1982, sections 145.43, subdivision 2; and 145.44.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1822, A bill for an act relating to veterinarians; permitting certain University of Minnesota employees to perform certain duties; amending Minnesota Statutes 1982, section 156.12, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1842, A bill for an act relating to economic development; creating the Minnesota Manufacturing Growth Council; appropriating money; proposing new law coded in Minnesota Statutes, chapter 116J.

Reported the same back with the following amendments:

Page 2, line 14, after the period insert "*The governor shall seek to appoint at least one member representing manufacturing businesses owned or managed by women.*"

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 Economic Development to which was referred:

H. F. No. 1844, A bill for an act relating to nonprofit corporations; providing for the recording of board votes; amending Minnesota Statutes 1982, section 317.20, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 10, delete everything after the first comma and insert "*there may be no secret balloting on any vote*"

Page 1, line 11, delete "*vote cast, by a member*"

Page 1, line 15, delete the semicolon and insert a period

Page 1, delete lines 16 and 17

Page 1, line 19, delete "*or*" and insert a comma

Page 1, line 19, before the period insert "*or directors, or if the vote is taken by the board of a hospital or a health maintenance organization*"

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. 1854, A bill for an act relating to occupations and professions; providing licensing requirements for closing agents; providing penalties; proposing new law coded in Minnesota Statutes, chapter 82.

Reported the same back with the following amendments:

Page 1, line 12, delete "*or a licensed attorney at law*" and insert "*, a licensed attorney at law, a bank, a savings and loan*"

*association, a credit union, an industrial loan and thrift company, regulated lenders, real estate title insurance companies, employees or agents of any of them"*

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1855, A bill for an act relating to health; requiring the commissioner to study and report to the legislature on wellness promotional efforts; amending Minnesota Statutes 1982, section 144.05, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 24, after "sector" insert "*including local boards of health*"

Page 2, line 31, after "state" insert "*and local*"

Page 2, delete line 36

Page 3, delete lines 1 to 3 and insert:

"Sec. 2. [APPROPRIATION.]

*There is appropriated \$ . . . . . from the general fund to the commissioner of health for purposes of section 1.*

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective July 1, 1984."*

Amend the title:

Page 1, line 4, after the semicolon insert "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.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1860, A bill for an act relating to horse racing; providing for the distribution of proceeds from the Minnesota Breeders Fund; amending Minnesota Statutes 1983 Supplement, section 240.18.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1872, A bill for an act relating to occupations and professions; authorizing the board to accept foreign pharmacy graduates for examination as pharmacists; amending Minnesota Statutes 1982, section 151.10.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1881, A bill for an act relating to towns; changing provisions for the use of certain state-aid road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

Reported the same back with the following amendments:

Page 2, line 4, reinstate the stricken "and" and delete the comma

Page 2, line 5, delete "*, and maintenance*"

Page 2, line 5, before the period insert "*provided, however, a town receiving less than \$2,500 in any year under this subdivision may use the funds for maintenance graveling of town roads in that year*"

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. 1887, A bill for an act relating to the Minnesota emergency employment development program; appropriating additional money for the program; delaying its termination; amending Minnesota Statutes 1983 Supplement, sections 268.677; and 268.686.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 268.673, subdivision 5, is amended to read:

Subd. 5. [REPORT TO GOVERNOR AND LEGISLATURE.] The coordinator shall report to the legislative advisory commission, *the chairmen of the house and senate governmental operations committees*, and the governor on a quarterly basis: (1) the number of persons employed; (2) the number and type of employers under the program; (3) the amount of money spent in each service delivery area for wages for each type of employment and each type of other expense; (4) the number of persons who have completed participation in the program and their current employment, educational, or training status; and (5) any other information requested by the commission or the governor or deemed pertinent by the coordinator. *Each report shall include cumulative information, as well as information for each quarter.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 268.675, is amended to read:

268.675 [ALLOCATION OF FUNDS AMONG SERVICE DELIVERY AREAS.]

(a) (NINETY) *Eighty* percent of the funds available for allocation to employment administrators for the program must be allocated among service delivery areas as follows: each service delivery area shall be eligible to receive that proportion of the funds available which equals the number of unemployed persons in the service delivery area divided by the total number of unemployed persons in the state for the 12-month period ending the most recent March 31.

(b) (TEN) *Twenty* percent of the funds available for allocation to employment administrators under the program must be allocated at the discretion of the coordinator to employment administrators:

(1) who will maximize the use of the funds through coordination with other programs and state, local, and federal agencies, through the use of matching funds or through the involvement of low-income constituent groups;

(2) who have demonstrated need beyond the allocation available under clause (1); (OR)

(3) who have demonstrated outstanding performance in job creation; or

(4) who have demonstrated that the unemployed persons in the service delivery area incur unusual costs related to employment under sections 268.671 to 268.686.

Sec. 3. Minnesota Statutes 1983 Supplement, section 268.676, subdivision 2, is amended to read:

Subd. 2. [AMONG EMPLOYERS.] Allocation of funds among eligible employers within a service area shall be determined by the employment administrator within each service delivery area according to the priorities in sections 268.68 and 268.681. The employment administrator shall give priority to funding private sector jobs to the extent that eligible businesses apply for funds. If possible, no more than (60) 40 percent of the funds may be allocated for jobs with eligible government and nonprofit agencies during the biennium.

Sec. 4. Minnesota Statutes 1983 Supplement, section 268.677, is amended to read:

#### 268.677 [USE OF FUNDS.]

Funds appropriated for the purposes of sections 268.671 to 268.686 may be used as follows:

(a) To provide a state contribution for wages and fringe benefits for eligible job applicants for a maximum of 1,040 hours over a maximum period of 26 weeks per job applicant. For eligible job applicants participating in a job training program, the state contribution for wages may be used for a maximum period of 52 weeks per job applicant. The state contribution for wages shall be up to \$4 per hour for each eligible job applicant employed. The state contribution for fringe benefits may be up to \$1 per hour for each eligible job applicant employed. However, the employer may use funds from other sources to provide increased wages to the applicants it employs. At least 75 percent of the funds appropriated for the program must be used to pay wages for eligible job applicants;

(b) To reimburse the commissioner of economic security in an amount not to exceed one percent of the funds appropri-

ated for the actual cost of administering sections 268.671 to 268.686, and to reimburse the employment administrators in an amount not to exceed 4-1/2 percent of the funds appropriated for their actual cost of administering sections 268.671 to 268.686. The commissioner of economic security and the employment administrators shall reallocate funds from other sources to cover the administrative costs of this program whenever possible;

(c) To provide child care services or subsidies to applicants employed under sections 268.671 to 268.686;

(d) To provide workers' compensation coverage to applicants employed by government or nonprofit agencies under sections 268.671 to 268.686;

(e) To provide job search assistance, labor market orientation, job seeking skills, and referral for other services;

(f) To purchase supplies and materials for projects creating permanent improvements to public property in an amount not to exceed one percent of the funds appropriated.

The employment administrator of each service delivery area shall submit to the coordinator a spending plan establishing that funds allocated to the service delivery area will be used (BY OCTOBER 1, 1984,) in the manner required by sections 268.671 to 268.686. Any funds allocated to the service delivery area for which there is no spending plan approved by the coordinator shall cancel back to the Minnesota emergency employment development account and may be reallocated by the coordinator to other employment administrators.

Sec. 5. Minnesota Statutes 1983 Supplement, section 268.686, is amended to read:

268.686 [SUNSET.]

Laws 1983, chapter 312, article 7, sections 1 to 18 are repealed (JUNE 30, 1985) *January 1, 1986.*

Sec. 6. [APPROPRIATION.]

*There is appropriated from the general fund to the commissioner of economic security the sum of \$70,000,000 to be used for the jobs program established under Minnesota Statutes, sections 268.671 to 268.686. None of the money appropriated by this section may be encumbered after May 31, 1985. Any unexpended and unencumbered balance cancels December 31, 1985. To the extent permissible under federal and state law, the commissioner shall use money from the federal government and the private sector to fund the program."*



Delete the title and insert:

“A bill for an act relating to the Minnesota emergency employment development program; appropriating additional money for the program; delaying its termination; amending Minnesota Statutes 1983 Supplement, sections 268.673, subdivision 5; 268.675; 268.676, subdivision 2; 268.677; and 268.686.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1903, A bill for an act relating to local government; clarifying powers of municipalities with respect to sale of air rights; amending Minnesota Statutes 1982, section 472A.03.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1909, A bill for an act relating to the Mississippi River headwaters area; requiring other governmental units to follow the land use plan adopted by the board; proposing new law coded in Minnesota Statutes, chapter 114B.

Reported the same back with the following amendments:

Page 1, lines 14 and 16, after “board” insert “on February 12, 1981”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1917, A bill for an act relating to elections; limiting membership on a county canvassing board; amending Minnesota Statutes 1982, section 204C.31, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 20, delete "*a candidate at the election*"

Page 1, line 21, delete the first "or" and after "*spouse,*" insert "*brother- or sister-in-law, mother- or father-in-law, son- or daughter-in-law,*"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1947, A bill for an act relating to public welfare; directing the commissioner of public welfare to assess the need for home and community-based services for disabled persons under the age of 65 and apply for a waiver under the federal medicaid program; proposing new law coded in Minnesota Statutes, chapter 256B.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Brinkman from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 1949, A bill for an act relating to insurance; automobile; requiring a premium reduction for certain persons who complete an accident prevention course; proposing new law coded in Minnesota Statutes, chapter 65B.

Reported the same back with the following amendments:

Page 1, line 14, delete "55" and insert "65"

Page 1, line 20, delete "55" and insert "65"

Page 2, line 3, delete "55" and insert "65"

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. 1961, A bill for an act relating to state departments and agencies; changing the composition and powers of the board of private detective and protective agent services; changing requirements for obtaining a license; amending Minnesota Statutes 1982, sections 326.33; 326.331; 326.332, subdivision 1; and 326.333; repealing Minnesota Statutes 1982, section 299C.01, subdivision 3.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1966, A bill for an act relating to public welfare; limiting medical assistance and general assistance reimbursements for chemical dependency treatment; extending temporary rulemaking authority for prospective payments for inpatient hospital services; expanding medical assistance eligibility for certain persons; eliminating the requirement that the commissioner seek a co-payment waiver for HMO enrollees under medical assistance; clarifying existing language; amending Minnesota Statutes 1982, sections 256B.17, as amended; 256B.19, subdivision 1; Minnesota Statutes 1983 Supplement, sections 256.968; 256.969, subdivision 6; and 256B.06, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 144.695, is amended to read:

144.695 [CITATION.]

Sections 144.695 to 144.703 may be cited as the Minnesota (HOSPITAL ADMINISTRATION ACT OF 1976) *Health Care Cost Information Act of 1984*.

Sec. 2. Minnesota Statutes 1982, section 144.696, is amended to read:

144.696 [DEFINITIONS.]

Subdivision 1. Unless the context clearly indicates otherwise, for the purposes of sections 144.695 to 144.703, the terms defined in this section have the meanings given them.

Subd. 2. "Commissioner of health" means the state commissioner of health.

Subd. 3. "Hospital" means any acute care institution licensed pursuant to sections 144.50 to 144.58, but does not include any health care institution conducted for those who rely primarily upon treatment by prayer or spiritual means in accordance with the creed or tenets of any church or denomination.

Subd. 4. ("COMMISSIONER OF INSURANCE" MEANS THE COMMISSIONER OF INSURANCE.)

(SUBD. 5. "INSURER" MEANS A PERSON SELLING POLICIES OF ACCIDENT AND HEALTH INSURANCE PURSUANT TO CHAPTER 62A, OR NONPROFIT HEALTH SERVICE PLAN SUBSCRIBER CONTRACTS PURSUANT TO CHAPTER 62C) "*Outpatient surgical center*" means a facility other than a hospital offering elective outpatient surgery under a license issued under sections 144.50 to 144.58.

Sec. 3. Minnesota Statutes 1982, section 144.698, is amended to read:

144.698 [REPORTING REQUIREMENTS.]

Subdivision 1. Each hospital *and each outpatient surgical center*, which has not filed the financial information required by this section with a voluntary, nonprofit (RATE REVIEW) reporting organization pursuant to section 144.702, shall file annually with the commissioner of health after the close of the fiscal year:

(a) A balance sheet detailing the assets, liabilities, and net worth of the hospital;

(b) A detailed statement of income and expenses; (AND)

(c) A copy of its most recent cost report, *if any*, filed pursuant to requirements of Title XVIII of the United States Social Security Act; *and*

(d) A copy of all changes to articles of incorporation or bylaws.

Subd. 2. If more than one licensed hospital *or outpatient surgical center* is operated by the reporting organization, the

commissioner of health may require that the information be reported separately for each hospital *and each outpatient surgical center*.

Subd. 3. The commissioner of health may require attestation by responsible officials of the hospital *or outpatient surgical center* that the contents of the reports are true.

Subd. 4. All reports, except privileged medical information, filed pursuant to this section, section 144.701 or section 144.702, subdivision 3 or 4 shall be open to public inspection.

Subd. 5. The commissioner of health shall have the right to inspect hospital *and outpatient surgical center* books, audits, and records as reasonably necessary to verify hospital *and outpatient surgical center* reports.

Sec. 4. Minnesota Statutes 1982, section 144.699, is amended to read:

144.699 [CONTINUING ANALYSIS.]

Subdivision 1. [ACUTE CARE COSTS.] The commissioner of health may:

(a) Undertake analyses and studies relating to (HOSPITAL) *acute care* costs and to the financial status of any hospital *or outpatient surgical center* subject to the provisions of sections 144.695 to 144.703; and

(b) Publish and disseminate the information relating to (HOSPITAL) *acute care* costs.

Subd. 2. [FOSTERING PRICE COMPETITION.] *The commissioner of health shall:*

(a) *Encourage hospitals, outpatient surgical centers, and professionals regulated by the health related licensing boards as defined in section 214.01, subdivision 2, and by the commissioner of health under 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.*

(b) *Analyze and disseminate available price information and analyses so as to foster the development of price competition among hospitals, outpatient surgical centers, and health professionals.*

Subd. 3. [COOPERATION WITH ATTORNEY GENERAL.] *Upon request of the attorney general, the commissioner of health shall make available to the attorney general all requested infor-*

*mation provided under sections 144.695 to 144.703 in order to assist the attorney general in discharging the responsibilities of section 8.31.*

*Subd. 4.* The commissioner of health shall prepare and file summaries and compilations or other supplementary reports based on the information filed with or made available to the commissioner of health, which reports will advance the purposes of sections 144.695 to 144.703.

Sec. 5. Minnesota Statutes 1982, section 144.701, is amended to read:

144.701 [(INVESTIGATIVE POWER) *RATE DISCLOSURE.*]

Subdivision 1. The commissioner of health (MAY INITIATE REVIEWS OR INVESTIGATIONS AS NECESSARY TO ASSURE ALL PURCHASERS OF HOSPITAL HEALTH CARE SERVICES THAT THE TOTAL COSTS OF A HOSPITAL ARE REASONABLY RELATED TO THE TOTAL SERVICES OFFERED, THAT THE HOSPITAL'S AGGREGATE REVENUES AS EXPRESSED BY RATES ARE REASONABLY RELATED TO THE HOSPITAL'S AGGREGATE COSTS, AND THAT RATES ARE SET EQUITABLY. THE COMMISSIONER OF HEALTH SHALL PROHIBIT HOSPITALS FROM DISCRIMINATING AMONG INSURERS IN ITS RATES.)

(SUBD. 2. IN ORDER TO PROPERLY DISCHARGE THESE OBLIGATIONS, THE COMMISSIONER OF HEALTH MAY REVIEW PROJECTED ANNUAL REVENUES AND EXPENSES OF HOSPITALS AND COMMENT ON THEM.)

(SUBD. 3. IN THE INTEREST OF PROMOTING THE MOST EFFICIENT AND EFFECTIVE USE OF HOSPITALS, THE COMMISSIONER OF HEALTH MAY PROMOTE EXPERIMENTAL ALTERNATIVE METHODS OF BUDGETING, COST CONTROL, RATE DETERMINATION AND PAYMENT) *shall ensure that the total costs, total revenues, and total services of each hospital and each outpatient surgical center are reported to the public in a form understandable to consumers.*

Subd. (4) 2. The commissioner of health shall (BEGIN TO) compile relevant financial and accounting data concerning hospitals *and outpatient surgical centers* in order to have statistical information available for legislative policy making.

Subd. (5) 3. The commissioner of health shall obtain from each hospital *and outpatient surgical center* a current rate schedule. Any subsequent amendments or modifications of that schedule shall be filed with the commissioner of health at least

60 days in advance of their effective date. (THE COMMISSIONER OF HEALTH MAY, BY RULE, EXEMPT FROM THIS REQUIREMENT RATE INCREASES WHICH HAVE A MINIMAL IMPACT ON HOSPITAL COSTS. IF THE HOSPITAL HAS NOT AGREED TO SUBMIT TO A VOLUNTARY RATE REVIEW IN ACCORDANCE WITH SECTION 144.702, THE COMMISSIONER OF HEALTH MAY HOLD A PUBLIC HEARING PURSUANT TO CHAPTER 14, ON ANY INCREASE WHICH HE DETERMINES IS EXCESSIVE AND MAY PUBLICLY COMMENT ON ANY INCREASE.)

Subd. (6) 4. Each report which is required to be submitted to the commissioner of health (PURSUANT TO SUBDIVISION 5) *under sections 144.695 to 144.703* and which is not *submitted to (BE REVIEWED BY)* a voluntary, nonprofit (RATE REVIEW) *reporting* organization in accordance with section 144.702 shall be accompanied by a filing fee in an amount prescribed by rule of the commissioner of health. (FILING FEES SHALL BE SET AT A LEVEL SUFFICIENT TO COVER THE COSTS OF ANY REVIEWS UNDERTAKEN PURSUANT TO SUBDIVISION 5, AND MAY TAKE INTO CONSIDERATION THE LENGTH OR COMPLEXITY OF THE REPORT BEING FILED.) Fees received pursuant to this subdivision shall be deposited in the general fund of the state treasury.

Sec. 6. Minnesota Statutes 1982, section 144.702, is amended to read:

144.702 [VOLUNTARY REPORTING (AND RATE REVIEW) OF HOSPITAL AND OUTPATIENT SURGICAL CENTER COSTS.]

Subdivision 1. A hospital *or outpatient surgical center* may agree to submit its financial reports to (, AND BE SUBJECT TO A REVIEW OF ITS RATES BY,) a voluntary, nonprofit (RATE REVIEW) *reporting* organization whose reporting (AND REVIEW) procedures have been approved by the commissioner of health in accordance with this section.

Subd. 2. The commissioner of health may approve voluntary reporting (AND RATE REVIEW) procedures which are substantially equivalent to reporting requirements and (RATE REVIEW) procedures adopted by the commissioner of health for reporting (AND RATE REVIEWS CONDUCTED PURSUANT TO) *procedures under sections (144.698 AND 144.701) 144.695 to 144.703*. The commissioner of health shall, by rule, prescribe standards for approval of voluntary (RATE REVIEW) *reporting* procedures, which standards shall provide for:

(a) The filing of appropriate financial information with the (RATE REVIEW) *reporting* organization;

(b) Adequate analysis and verification of that financial information; and

(c) Timely publication of the (REVIEW ORGANIZATION'S FINDINGS AND COMMENTS) *costs, revenues, and rates of individual hospitals and outpatient surgical centers* prior to the effective date of any proposed rate increase. The commissioner of health shall annually review the procedures approved pursuant to this subdivision.

Subd. 3. Any voluntary, nonprofit (RATE REVIEW) *reporting* organization which (CONDUCTS A REVIEW OF THE) *collects information on costs, revenues, and rates* of a hospital or outpatient surgical center located in this state shall file a copy of (ITS FINDINGS AND COMMENTS) *the information received for each hospital and outpatient surgical center* with the commissioner of health within 30 days of completion of the (REVIEW) *information collection* process, together with a summary of the financial information acquired by the organization during the course of its review.

Subd. 4. Any voluntary, nonprofit (RATE REVIEW) *reporting* organization which receives the financial information required (IN SECTION 144.698) *by sections 144.695 to 144.703* shall make the information and all summaries and analyses of the information available to the commissioner of health in accordance with procedures prescribed by the commissioner of health.

Subd. 5. If the reporting and (RATE REVIEW) procedures of a voluntary, nonprofit (RATE REVIEW) *reporting* organization have been approved by the commissioner of health those reporting (AND RATE REVIEWING) activities of the organization shall be exempt from the provisions of sections 325D.49 to 325D.66.

Subd. 6. For the purposes of this section "(RATE REVIEW) *reporting* organization" means an association or other organization which has as one of its primary functions the (PEER REVIEW OF HOSPITAL RATES) *collection and dissemination of acute care cost information*.

Sec. 7. Minnesota Statutes 1982, section 144.703, is amended to read:

#### 144.703 [ADDITIONAL POWERS.]

Subdivision 1. In addition to the other powers granted to the commissioner of health (AND THE COMMISSIONER OF INSURANCE) by law, the commissioner of health (AND THE COMMISSIONER OF INSURANCE) may (EACH):



(a) Adopt, amend, and repeal rules in accordance with chapter 14;

(b) (HOLD PUBLIC HEARINGS, CONDUCT INVESTIGATIONS, AND ADMINISTER OATHS OR AFFIRMATIONS IN ANY HEARING OR INVESTIGATION) Adopt in rule a schedule of fines, ranging from \$100 to \$1,000, for failure of a hospital or an outpatient surgical center to submit, or to make a timely submission of, information called for by sections 144.695 to 144.703.

Subd. 2. Any person aggrieved by a final determination of the commissioner of health (OR THE COMMISSIONER OF INSURANCE) as to any rule or determination under sections 144.695 to 144.703 (; OR 62A.02, SUBDIVISION 3; OR 62C.15, SUBDIVISION 2,) shall be entitled to (AN ADMINISTRATIVE HEARING AND) judicial review in accordance with (THE CONTESTED CASE PROVISIONS OF) chapter 14.

#### Sec. 8. [REPORT.]

*By October 1, 1985, the commissioner of health shall report to the legislature recommendations for an integrated, comprehensive cost containment program for acute care health services. At a minimum, the recommendations shall include:*

(a) *a proposal for a mechanism that would constrain expansion in the service capacity of the acute care health system by means of specific and quantifiable prospectively determined limits;*

(b) *a proposal for a mechanism that would prospectively limit charges for acute care health services; and*

(c) *any other related proposals the commissioner deems prudent to recommend.*

#### Sec. 9. [SAVINGS CLAUSE.]

*The following rules adopted by the commissioner of health under sections 144.695 to 144.703 are repealed.*

(a) *Rules prescribing standards for the investigation, analysis, and judging of the reasonableness of the use of finances in a hospital.*

(b) *Rules prescribing standards for allowable increase limits.*

(c) *Rules prescribing standards for acceptable increases in gross acute care charges.*

*All other rules adopted by the commissioner under sections 144.695 to 144.703 remain in effect.*

*Notwithstanding the time limitation prescribed in 7 MCAR S 1.475 E.1., the experimental alternative reporting requirements contained in 7 MCAR S 1.475 shall be in effect until amended or repealed by the commissioner.*

*The rules not repealed by this section adopted under sections 144.695 to 144.703 apply to hospitals and outpatient surgical centers. The commissioner may grant outpatient surgical centers a group variance from compliance with provisions of the rules if uniform alternative requirements substantially equivalent to those prescribed in the rules are reasonably necessary to achieve the purposes of sections 144.695 to 144.703.*

*Promptly after enactment of sections 1 to 9, the commissioner shall publish in the State Register rules adopted under sections 144.695 to 144.703 that are not repealed by this section.*

Sec. 10. Minnesota Statutes 1982, section 256.045, subdivision 2, is amended to read:

Subd. 2. [LOCAL WELFARE HEARINGS.] In counties in which the commissioner of public welfare has appointed a local welfare referee, any person applying for (OR), receiving, or having received public assistance granted by a local agency pursuant to Minnesota Statutes, Sections 256.72 to 256.87, Chapters 256B, 256D, 261, the Federal Food Stamp Act or a program of social services whose application for assistance is denied, or not acted upon with reasonable promptness, or whose assistance is suspended, reduced, (OR) terminated (BY A LOCAL AGENCY), or claimed to have been incorrectly paid, or any patient or relative aggrieved by an order of the commissioner under section 252.27, may contest that action or decision before the local welfare referee by submitting a written request for a hearing to the local agency within 30 days after receiving written notice of the action or decision, or within 90 days of such written notice if the applicant or recipient shows good cause why the request was not submitted within the 30 day time limit. The local welfare referee shall conduct a hearing on the matter and shall issue a ruling affirming, reversing, or modifying the action or decision of the local agency. The ruling of the local welfare referee shall be binding upon the local agency and the aggrieved party unless appeal is taken in the manner provided by subdivision 3.

Sec. 11. Minnesota Statutes 1983 Supplement, section 256.045, subdivision 3, is amended to read:

Subd. 3. [STATE AGENCY HEARINGS.] In counties in which the commissioner of welfare has not appointed a local welfare referee, any person applying for (OR), receiving *or having received* any of the forms of public assistance described in subdivision 2 whose application for assistance is denied, not acted upon with reasonable promptness, or whose assistance is suspended, reduced, (OR) terminated (BY A LOCAL AGENCY), *or claimed to have been incorrectly paid*, or any patient or relative aggrieved by an order of the commissioner under section 252.27, may contest that action or decision before the state agency by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action or decision, or within 90 days of such written notice if the applicant, recipient, patient or relative shows good cause why the request was not submitted within the 30 day time limit. A local agency (, APPLICANT, RECIPIENT, PATIENT OR RELATIVE) *or party* aggrieved by a ruling of a local welfare referee may appeal the ruling to the state agency by filing a notice of appeal with the state agency within 30 days after receiving the ruling of the local welfare referee. A state welfare referee shall conduct a hearing on the matter and shall recommend an order to the commissioner of public welfare. In appeals from rulings of local welfare referees, the hearing may be limited, upon stipulation of the parties, to a review of the record of the local welfare referee.

Sec. 12. Minnesota Statutes 1982, section 256.045, subdivision 4, is amended to read:

Subd. 4. [CONDUCT OF HEARINGS.] All hearings held pursuant to subdivisions 2 or 3 shall be conducted according to the provisions of the federal Social Security Act and the regulations implemented in accordance with that act to enable this state to qualify for federal grants-in-aid, and according to the rules and written policies of the commissioner of public welfare. The hearing shall not be held earlier than five days after filing of the required notice with the local or state agency. The local welfare referee or state welfare referee shall notify all interested persons of the time, date and location of the hearing at least five days before the date of the hearing. Interested persons may be represented by legal counsel or other spokesman of their choice at the hearing and may appear personally, testify and offer evidence, and examine and cross-examine witnesses. The applicant (OR), recipient, *or former recipient* shall have the opportunity to examine the contents of his case file and all documents and records to be used by the local agency at the hearing at a reasonable time before the date of the hearing and during the hearing. All evidence, except that privileged by law, commonly accepted by reasonable men in the conduct of their affairs as having probative value with respect to the issues shall be submitted at the hearing and such hearing shall not be "a contested case" within the meaning of section 14.02, subdivision 3.

Sec. 13. Minnesota Statutes 1982, section 256.045, subdivision 5, is amended to read:

Subd. 5. [ORDERS OF THE COMMISSIONER OF WELFARE.] The commissioner of public welfare may accept the recommended order of a state welfare referee and issue the order to the local agency and the applicant (OR), recipient, or former recipient. If the commissioner refuses to accept the recommended order of the state welfare referee, he shall notify the local agency and the applicant (OR), recipient, or former recipient of that fact and shall state his reasons therefor and shall allow each party ten days' time to submit additional written argument on the matter. After the expiration of the ten day period, the commissioner shall issue an order on the matter to the local agency and the applicant (OR), recipient, or former recipient. Any order of the commissioner issued in accordance with this subdivision shall be conclusive upon the parties unless appeal is taken in the manner provided by subdivision 7.

Sec. 14. Minnesota Statutes 1982, section 256.045, subdivision 7, is amended to read:

Subd. 7. [JUDICIAL REVIEW.] (AN APPLICANT OR RECIPIENT OR LOCAL AGENCY) Any party who is aggrieved by an order of the commissioner of welfare may appeal the order to the district court of the county responsible for furnishing assistance by serving a written copy of a notice of appeal upon the commissioner and any adverse party of record within 30 days after the date the commissioner issued the order, and by filing the original notice and proof of service with the clerk of the district court. Service may be made personally or by mail; service by mail is complete upon mailing; no filing fee shall be required by the clerk of court in appeals taken pursuant to this subdivision. The commissioner may elect to become a party to the proceedings in the district court. Any party may demand that the commissioner furnish all parties to the proceedings with a copy of his decision, and a transcript of any testimony, evidence, or other supporting papers from the hearing held before the state welfare referee, by serving a written demand upon the commissioner within 30 days after service of the notice of appeal.

Sec. 15. Minnesota Statutes 1983 Supplement, section 256.968, is amended to read:

**256.968 [LIMITATION ON INPATIENT CHEMICAL DEPENDENCY TREATMENT.]**

The commissioner of public welfare shall limit medical assistance and general assistance medical care reimbursement for treatment of alcoholism, chemical dependency or drug addiction which is rendered in a licensed inpatient hospital to one treatment episode per calendar year per recipient if the hospital is

*being reimbursed on a per episode basis or to 30 days per calendar year in a licensed hospital or certified nursing home (TO 30 DAYS) reimbursed under other methodologies unless need for extended care is certified by the attending physician and has received prior approval from the commissioner.*

Sec. 16. Minnesota Statutes 1983 Supplement, section 256.963, subdivision 2, is amended to read:

Subd. 2. [RATES FOR INPATIENT HOSPITALS.] Rates paid to inpatient hospitals shall be based on a rate per admission until the commissioner can begin to reimburse hospitals for services under the medical assistance and general assistance medical care programs based upon a diagnostic classification system appropriate to the service populations. On July 1, 1984, the commissioner shall begin to utilize to the extent possible existing classification systems, including medicare, and to incorporate the grouping of hospitals with similar characteristics for uniform rates. Medical assistance and general assistance medical care reimbursement for treatment of mental illness shall be reimbursed based upon diagnosis classifications.

Sec. 17. Minnesota Statutes 1983 Supplement, section 256.969, subdivision 6, is amended to read:

Subd. 6. [RULES.] The commissioner of public welfare shall promulgate temporary and permanent rules to implement a system of prospective payment for inpatient hospital services pursuant to chapter 14, the Administrative Procedure Act. Notwithstanding section 14.53, temporary rule authority authorized by Laws 1983, chapter 216, article 1, section 39, shall extend to August 1, 1985.

Sec. 18. Minnesota Statutes 1983 Supplement, section 256B.06, subdivision 1, is amended to read:

Subdivision 1. Medical assistance may be paid for any person:

(1) Who is a child eligible for or receiving adoption assistance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676 under Minnesota Statutes, section 259.40; or

(2) Who is a child eligible for or receiving foster care maintenance payments under Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676; or

(3) Who is eligible for or receiving public assistance (, OR A WOMAN WHO IS PREGNANT, AS MEDICALLY VERIFIED, AND WHO WOULD BE ELIGIBLE FOR ASSISTANCE) under the aid to families with dependent children

program (IF THE CHILD HAD BEEN BORN AND LIVING WITH THE WOMAN), the Minnesota supplemental aid program; or

(4) *Who is a pregnant woman, as certified in writing by a physician or nurse midwife, and who (a) meets the other eligibility criteria of this section, and (b) would be categorically eligible for assistance under the aid to families with dependent children program if the child had been born and was living with the woman; or*

(5) Who meets the categorical eligibility requirements of the supplemental security income program and the other eligibility requirements of this section; or

((5)) (6) Who, except for the amount of income or resources, would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children, and (IS IN NEED OF MEDICAL ASSISTANCE) *who meets the other eligibility requirements of this section; or*

((6)) (7) Who is under 21 years of age and in need of medical care that neither he nor his relatives responsible under sections 256B.01 to 256B.26 are financially able to provide; or

((7)) (8) Who is residing in a hospital for treatment of mental disease or tuberculosis and is 65 years of age or older and without means sufficient to pay the per capita hospital charge; and

((8)) (9) Who resides in Minnesota, or, if absent from the state, is deemed to be a resident of Minnesota in accordance with the regulations of the state agency; and

((9)) (10) Who alone, or together with his spouse, does not own real property other than the homestead. For the purposes of this section, "homestead" means the house owned and occupied by the applicant or recipient as his (DWELLING PLACE) *primary place of residence, together with the contiguous land upon which it is situated (AND AN AREA NO GREATER THAN TWO CONTIGUOUS LOTS IN A PLATTED OR LAID OUT CITY OR TOWN OR 80 CONTIGUOUS ACRES IN UNPLATTED LAND. OCCUPANCY OR EXEMPTION SHALL BE DETERMINED AS PROVIDED IN CHAPTER 510 AND APPLICABLE LAW, INCLUDING CONTINUING EXEMPTION BY FILING NOTICE UNDER SECTION 510.07). The homestead shall continue to be excluded for persons residing in a long-term care facility if it is used as a primary residence by the spouse, minor child, or disabled child of any age; or the applicant/recipient is expected to return to the home as a principal residence within six calendar months of entry to the long-term care facility. Certification of expected return to the homestead shall be documented in writing by the attending physician. Real*

estate not used as a home may not be retained unless it produces net income applicable to the family's needs or the family is making a continuing effort to sell it at a fair and reasonable price (OR UNLESS SALE OF THE REAL ESTATE WOULD NET AN INSIGNIFICANT AMOUNT OF INCOME APPLICABLE TO THE FAMILY'S NEEDS,) or unless the commissioner determines that sale of the real estate would cause undue hardship; and

((10)) (11) Who individually does not own more than \$3,000 in cash or liquid assets, or if a member of a household with two family members (husband and wife, or parent and child), does not own more than \$6,000 in cash or liquid assets, plus \$200 for each additional legal dependent. Cash and liquid assets may include a prepaid funeral contract and insurance policies with cash surrender value. The value of the following shall not be included:

(a) the homestead, and (b) one motor vehicle licensed pursuant to chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, subdivision 1e; and

((11)) (12) Who has or anticipates receiving an annual income not in excess of (\$2,600 FOR A SINGLE PERSON, OR \$3,250 FOR TWO FAMILY MEMBERS (HUSBAND AND WIFE, PARENT AND CHILD, OR TWO SIBLINGS), PLUS \$625 FOR EACH ADDITIONAL LEGAL DEPENDENT) *the income standards by family size used in the aid to families with dependent children program*, or who has income in excess of these maxima and in the month of application, or during the three months prior to the month of application, incurs expenses for medical care that total more than one-half of the annual excess income in accordance with the regulations of the state agency. In computing income to determine eligibility of persons who are not residents of long term care facilities, the commissioner shall disregard increases in income due solely to increases in federal retiree, survivor's, and disability insurance benefits, veterans administration benefits, and railroad retirement benefits in the percentage amount established in the biennial appropriations law unless prohibited by federal law or regulation. If prohibited, the commissioner shall first seek a waiver. In excess income cases, eligibility shall be limited to a period of six months beginning with the first of the month in which these medical obligations are first incurred; and

((12)) (13) Who has continuing monthly expenses for medical care that are more than the amount of his excess income, computed on a monthly basis, in which case eligibility may be established before the total income obligation referred to in the preceding paragraph is incurred, and medical assistance payments may be made to cover the monthly unmet medical

need. In licensed nursing home and state hospital cases, income over and above that required for justified needs, determined pursuant to a schedule of contributions established by the commissioner of public welfare, is to be applied to the cost of institutional care. The commissioner of public welfare may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care (AND SHALL SEEK A WAIVER FROM FEDERAL REGULATIONS WHICH ESTABLISH THE AMOUNT REQUIRED TO BE CONTRIBUTED BY EITHER SPOUSE WHEN ONE SPOUSE IS A NURSING HOME RESIDENT); and

((13)) (14) Who has applied or agrees to apply all proceeds received or receivable by him or his spouse from automobile accident coverage and private health care coverage to the costs of medical care for himself, his spouse, and children. The state agency may require from any applicant or recipient of medical assistance the assignment of any rights accruing under private health care coverage. Any rights or amounts so assigned shall be applied against the cost of medical care paid for under this chapter. Any assignment shall not be effective as to benefits paid or provided under automobile accident coverage and private health care coverage prior to receipt of the assignment by the person or organization providing the benefits.

Sec. 19. Minnesota Statutes 1982, section 256B.17, as amended by Laws 1983, chapter 312, article 5, sections 20, 21, 22, 23, and 24, is amended to read:

256B.17 [TRANSFERS OF PROPERTY.]

Subdivision 1. [TRANSFERS FOR LESS THAN MARKET VALUE.] In determining the resources of an individual and an eligible spouse, there shall be included any resource or interest therein which was given away (OR), sold, or *disposed of* for less than fair market value within the 24 months preceding application for medical assistance or during the period of eligibility.

Subd. 2. [PRESUMPTION OF PURPOSE.] Any transaction described in subdivision 1 shall be presumed to have been for the purpose of establishing eligibility for benefits or assistance under this chapter unless the individual or eligible spouse furnishes convincing evidence to establish that the transaction was exclusively for another purpose.

Subd. 3. [RESOURCE VALUE.] For purposes of subdivision 1, the value of the resource or interest shall be the fair market value at the time it was *given away*, sold, or (GIVEN AWAY) *disposed of*, less the amount of compensation received.

Subd. 4. [PERIOD OF INELIGIBILITY.] For any uncompensated transfer, the period of ineligibility shall be cal-



culated by dividing the *uncompensated* transferred amount by the statewide average monthly skilled nursing facility per diem for the previous calendar year to determine the number of months of ineligibility. The individual shall remain ineligible until this fixed ineligibility period has expired (, SUBJECT TO THE EXCLUSIONS CONTAINED IN SECTION 256B.06, SUBDIVISION 1). *The period of ineligibility may exceed 24 months, and a reapplication for benefits after 24 months from the date of the transfer shall not result in eligibility unless and until the period of ineligibility has expired.*

Subd. 5. [(EXCLUSIONS FOR HOMESTEAD TRANSFERS) EXCLUDED RESOURCES.] (NOTWITHSTANDING SUBDIVISION 4, AN INDIVIDUAL SHALL NOT BE INELIGIBLE IF THE TRANSFERRED PROPERTY IS A HOMESTEAD AS DEFINED BY SECTION 256B.06, SUBDIVISION 1, AND ONE OF THE FOLLOWING CONDITIONS APPLIES:.) *Except for the limitations contained in subdivision 6, a resource which is transferred while otherwise excluded under sections 256B.06 and 256B.07 shall not be considered an available resource for purposes of medical assistance eligibility. This exception shall not apply to applicants for or recipients of general assistance medical care benefits under chapter 256D.*

Subd. 6. [PROHIBITED TRANSFERS OF EXCLUDED RESOURCES.] *Any individual who is an inpatient in a skilled nursing facility or an intermediate care facility who, at any time during or after the 24-month period immediately prior to application for medical assistance, disposed of a homestead for less than fair market value shall be ineligible for medical assistance in accordance with subdivisions 1 to 4. An individual shall not be ineligible for medical assistance if one of the following conditions applies to the homestead transfer:*

(1) a satisfactory showing is made that the individual can reasonably be expected to return to the homestead as a permanent residence;

(2) title to the (HOME) *homestead* was transferred to the individual's spouse, child who is under age 21, or blind or permanently and totally disabled child as defined in the supplemental security income program;

(3) a satisfactory showing is made that the individual intended to dispose of the (HOME) *homestead* at fair market value or for other valuable consideration; or

(4) the local agency determines that denial of eligibility would cause undue hardship for the individual, based on imminent threat to the individual's health and well-being.

Subd. (6) 7. [EXCEPTION FOR ASSET TRANSFERS.] Notwithstanding the provisions of subdivisions 1 to (5) 6, an

institutionalized spouse who applies for medical assistance on or after July 1, 1983, may transfer liquid assets to his or her non-institutionalized spouse without loss of eligibility if all of the following conditions apply:

(a) The noninstitutionalized spouse is not applying for or receiving assistance;

(b) The noninstitutionalized spouse has less than \$10,000 in liquid assets, including assets singly owned and 50 percent of assets owned jointly with the institutionalized spouse;

(c) The amount transferred, together with the noninstitutionalized spouse's own assets, totals no more than \$10,000 in liquid assets; and

(d) The transfer may be effected only once, at the time of initial medical assistance application.

Subd. (7) 8. [CONFORMANCE WITH FEDERAL LAW.] Notwithstanding the other provisions of this section, uncompensated property transfers shall be treated no more restrictively than allowed by federal law.

(SUBD. 8. [EFFECTIVE DATE.] SUBDIVISIONS 5, 6, AND 7, AND THE CHANGES IN SUBDIVISION 4 MADE BY LAWS 1983, CHAPTER 312, ARTICLE 5, SECTION 20 APPLY TO TRANSFERS MADE ON OR AFTER JUNE 10, 1983, REGARDLESS OF THE INDIVIDUAL'S STATUS IN RELATION TO ELIGIBILITY FOR MEDICAL ASSISTANCE.)

Sec. 20. Minnesota Statutes 1982, section 256B.19, subdivision 1, is amended to read:

Subdivision 1. [DIVISION OF COST.] The cost of medical assistance paid by each county of financial responsibility shall be borne as follows: Payments shall be made by the state to the county for that portion of medical assistance paid by the federal government and the state on or before the 20th day of each month for the succeeding month upon requisition from the county showing the amount required for the succeeding month. Ninety percent of the expense of assistance not paid by federal funds available for that purpose shall be paid by the state and ten percent shall be paid by the county of financial responsibility.

For counties where health maintenance organizations are under contract to the state to provide services to medical assistance recipients, the division of the nonfederal share of medical assistance expenses for payments made to health maintenance organizations in the form of prepaid capitation payments, this

division of medical assistance expenses shall be 95 percent by the state and five percent by the county of financial responsibility.

State contracts with health maintenance organizations shall assure medical assistance recipients of at least the comprehensive health maintenance services defined in section 62D.02, subdivision 7. The contracts shall require health maintenance organizations to provide information to the commissioner concerning the number of people receiving services, the number of encounters, the type of services received, evidence of an operational quality assurance program pursuant to section 62D.04 and information about utilization. (PERSONS WHO BECOME ELIGIBLE FOR MEDICAL ASSISTANCE AFTER JULY 1, 1982 AND WHO CHOOSE TO RECEIVE SERVICES FROM A HEALTH MAINTENANCE ORGANIZATION UNDER CONTRACT TO THE STATE PURSUANT TO THIS SECTION SHALL BE GUARANTEED SIX MONTHS MEDICAL ASSISTANCE ELIGIBILITY.)

(THE COMMISSIONER OF PUBLIC WELFARE SHALL SEEK A WAIVER TO CHARGE A COINSURANCE FEE TO RECIPIENTS OF MEDICAL ASSISTANCE WHO BECOME ELIGIBLE FOR MEDICAL ASSISTANCE BENEFITS AND WHO CHOOSE NOT TO RECEIVE THE BENEFITS OF A HEALTH MAINTENANCE ORGANIZATION CONTRACTED FOR BY THE STATE PURSUANT TO THIS SECTION. THE COINSURANCE FEE SHALL BE LIMITED TO THE MAXIMUM MONTHLY CHARGE ALLOWED BY 42 CFR, SECTIONS 447.50 TO 447.59, AS AMENDED THROUGH DECEMBER 31, 1981. THE LOCAL WELFARE AGENCY MAY WAIVE THE COINSURANCE FEE WHEN IT DETERMINES THAT THE MEDICAL NEEDS OF THE RECIPIENT WOULD NOT BE BEST SERVED BY ENROLLMENT IN A HEALTH MAINTENANCE ORGANIZATION. THE COINSURANCE FEE SHALL BE CHARGED ONLY TO RECIPIENTS WHO BECOME ELIGIBLE FOR MEDICAL ASSISTANCE AFTER THE COMMISSIONER HAS REPORTED TO THE LEGISLATURE REGARDING THE PROPOSED METHOD OF IMPLEMENTING THIS PARAGRAPH) *Persons who become eligible for medical assistance after July 1, 1984, who are not participating in any medicaid demonstration project as defined under sections 256B.70 and 256B.71, and who choose at the time of application for assistance to receive services from a health maintenance organization, shall be guaranteed six months of coverage by a state contracted health maintenance organization if the recipient remains in the health maintenance organization from the time of initial enrollment. The continued eligibility guarantee shall not be granted when ineligibility for medical assistance is due to death, loss of state or county residency, failure to respond to the county's efforts to contact the recipient, failure to locate the recipient, or when the recipient is eligible for continued eligibility as defined in section 256B.062.*

**Sec. 21. [CONTRIBUTION OF NONINSTITUTIONALIZED SPOUSE.]**

*The commissioner of public welfare shall adjust the schedule for determining the contribution required from the noninstitutionalized spouse of a resident or patient of a nursing home or hospital to reflect an increase of at least 50 percent in the cost of living of the noninstitutionalized spouse and shall provide for subsequent periodic adjustments to reflect future increases.*

**Sec. 22. [EFFECTIVE DATE.]**

*Sections 10 to 18, 20, and 21 are effective July 1, 1984. Section 19 is effective for all transfers which occur on or after the effective date of this act, or which took place within 24 months preceding the effective date of this act."*

Delete the title and insert:

**"A bill for an act relating to public welfare; providing for the Health Care Cost Information Act; requiring reporting and collection of care cost information; limiting medical assistance and providing appeal rights for former recipients of public assistance; limiting medical assistance and general assistance reimbursements for chemical dependency treatment; extending temporary rulemaking authority for prospective payments for inpatient hospital services; expanding medical assistance eligibility for certain persons; eliminating the requirement that the commissioner seek a co-payment waiver for HMO enrollees under medical assistance; clarifying existing language; requiring a cost-of-living adjustment to the schedule of contribution of a noninstitutionalized spouse; amending Minnesota Statutes 1982, sections 144.695; 144.696; 144.698; 144.699; 144.701; 144.702; 144.703; 256.045, subdivisions 2, 4, 5, and 7; 256B.17, as amended; 256B.19, subdivision 1; Minnesota Statutes 1983 Supplement, sections 256.045, subdivision 3; 256.968; 256.969, subdivisions 2 and 6; and 256B.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.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1971, A bill for an act relating to health; removing the requirement of application for a federal waiver for services for the mentally retarded; repealing Minnesota Statutes 1983 Supplement, sections 252.28, subdivision 4; 252.291; 256B.092;

256B.501, subdivisions 1, 4, and 10; 256B.503; and Laws 1983, chapter 312, article 9, sections 10 and 11.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [246.023] [INTERAGENCY BOARD.]

*Subdivision 1. [LEGISLATIVE POLICY.] It is recognized that closure and consolidation of state hospitals have negative economic effects upon public employees and communities. It is the policy of the state that deinstitutionalization policies shall be carried out in a manner that ensures fair and equitable arrangements to protect the interests of employees and communities affected by deinstitutionalization of state hospitals.*

*Subd. 2. [INTERAGENCY BOARD.] There is established an interagency board to be known as the deinstitutionalization and economic impact planning board. The board shall consist of the following members: the commissioners of public welfare, administration, employee relations, economic security, energy and economic development; the director of the state planning agency; and other appropriate agency heads. The board shall be directed by the director of the state planning agency with assistance from the commissioner of public welfare in consultation with the other agency heads.*

*Subd. 3. [STUDY.] A comprehensive study shall be conducted by the interagency board to provide information on topics to include, but not be limited to, the following:*

*(1) projected displacement of state hospital employees because of deinstitutionalization by number, location, and job classification;*

*(2) the extent to which displacement can be mitigated through attrition, retirement, retraining, and transfer;*

*(3) the development of cooperative arrangements between the state and local units of government in the carrying out of these goals;*

*(4) the necessary changes in the biennial budget to effect any fiscal and policy recommendations of the plan;*

*(5) the necessary interagency agreements among and between appropriate departments and agencies as needed to effect the recommendations contained in the plan;*

*(6) the energy efficiency of all state hospital buildings.*

*Notwithstanding the provisions of sections 13.43, subdivisions 1 to 4, and 13.46, subdivision 2, the state planning agency shall, for purposes of the study required by this subdivision, have access to private personnel data and private client data as necessary.*

*Subd. 4. [PLAN.] The board shall develop a plan. The plan shall include proposals which protect the general interests of employees and communities affected by the deinstitutionalization of state hospitals, including proposals that attempt to preserve employment rights and benefits, provide training and retraining of employees and, to the extent possible, promote the employment of these employees. In addition, the plan shall propose specific methods for assuring minimal impact on the economic life of communities affected by the deinstitutionalization of state hospitals. The plan shall provide specific direction with respect to the following:*

*(1) retention of collective bargaining agreements including seniority, vacation, health insurance and other contractual benefits, and pension rights;*

*(2) maximum utilization of state hospital employees in the provision of noninstitutional services;*

*(3) negotiated agreements with exclusive representatives addressing job security issues, where deinstitutionalization causes displacement of employees;*

*(4) development, under a single system of standards including but not limited to licensure and reimbursement, of noninstitutional, state-operated or nonstate-operated services for the mentally retarded, including community-based intermediate care facilities for the mentally retarded, supported living arrangements, semi-independent living arrangements, day activity services, and other services;*

*(5) methods for ensuring that staff displaced by termination of programs at state hospitals are utilized to provide needed services within the continuum of care for individuals;*

*(6) alternative use of state hospital facilities made available by program closures;*

*(7) community retraining options for displaced personnel;*

*(8) methods for involving the following groups in the planning process: parents and guardians of hospital residents, community business and economic leaders, advocates, community providers, units of local government, and affected exclusive representatives; and*

(9) preparation of an economic impact statement and alternative economic development strategies for each state hospital region likely to be affected by deinstitutionalization of state hospitals.

*Subd. 5. [REPORT; IMPLEMENTATION.] The inter-agency board shall complete both the study required under subdivision 3 and the plan required under subdivision 4, on or before January 1, 1985, and shall present them to the legislative commission on long-term health care before February 1, 1985. Board members shall, to the extent possible, propose legislation for program implementation based upon the plan.*

**Sec. 2. [LEGISLATIVE COMMISSION ON LONG-TERM CARE.]**

*Subdivision 1. [DUTIES OF THE COMMISSION.] The legislative commission on long-term health care authorized by Laws 1983, chapter 199, section 17, shall:*

*(a) monitor the deinstitutionalization of state hospitals in accord with the plan developed pursuant to section 1;*

*(b) study the impact of state hospital deinstitutionalization on affected communities;*

*(c) ensure that displaced state hospital employees are provided opportunities for reemployment or retraining;*

*(d) evaluate the comparative costs to the state of institutional and noninstitutional care for mentally retarded persons.*

*Subd. 2. [REPORTING.] The commission shall report its findings and recommendations on the topics specified in subdivision 1 to the governor and the legislature, on an ongoing basis, and shall issue a final report not later than January 1, 1986.*

**Sec. 3. [APPROPRIATIONS.]**

*Subdivision 1. The sum of \$250,000 is appropriated from the general fund to the director of state planning for the purposes of implementing section 1.*

*This sum is available until June 30, 1985.*

*Subd. 2. The sum of \$50,000 is appropriated from the general fund to the legislative commission on long-term health care for purposes of implementing section 2.*

*This sum is available until June 30, 1985.*

## Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to state hospitals; establishing an interagency board to develop and implement a plan to protect state hospital employees and communities affected by deinstitutionalization policies; authorizing the legislative commission on long-term health care to study certain topics; appropriating money; proposing new law coded in Minnesota Statutes, chapter 246."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1975, A bill for an act relating to transportation; allowing entire portions of former trunk highways to revert to counties under certain circumstances; amending Minnesota Statutes 1982, section 161.16, subdivision 4.

Reported the same back with the following amendments:

Page 1, line 17, after "highway" insert "*unless the commissioner, the road authority originally charged with the care of the trunk highway and the road authority of the political subdivision in which the portion is located agree on another disposition, in which case the reversion is as provided in the agreement*"

Page 2, after line 22, insert:

"Sec. 2. [TRUNK HIGHWAY SYSTEM; REMOVAL OF ROUTE NO. 236.]

*Subdivision 1. [ROUTE DISCONTINUED.] Route No. 236 as contained and described in section 161.115, is discontinued and removed from the trunk highway system.*

*Subd. 2. [REVISOR INSTRUCTION.] In compiling the Minnesota Statutes, the revisor of statutes shall delete the route specified in subdivision 1."*

Page 2, line 24, delete "This act" and insert "Section 1" and after the period insert "Section 2 is effective upon certification



*by the commissioner of transportation to the Traverse county board that the regrading and surfacing of the roadway has been completed, at which time it shall become a part of the county road system of Traverse county."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the semicolon insert "discontinuing a trunk highway route;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1985, A bill for an act relating to occupations and professions; regulating the licensing of salons for estheticians; amending Minnesota Statutes 1982, section 155A.08, subdivision 2.

Reported the same back with the recommendation that the bill pass and and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1987, A bill for an act relating to public employees; providing standards for certain disciplinary actions; amending Minnesota Statutes 1982, section 626.557, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 43A.33, is amended by adding a subdivision to read:

*Subd. 2a. [ABUSE.] In an arbitration or hearing proceeding involving discipline of an employee for abusing a resident of a state hospital or a state nursing home, "abuse" includes but is not limited to:*

(1) *conduct which constitutes abuse under policies or procedures adopted by state hospitals or state nursing homes;*

(2) *any act which constitutes a violation under sections 609.221 to 609.235, 609.322, 609.342, 609.343, 609.344, or 609.345; or*

(3) *the intentional and nontherapeutic infliction of physical pain or injury or any persistent course of conduct intended to produce mental or emotional distress."*

Amend the title as follows :

Page 1, line 4, delete "626.557" and insert "43A.33"

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. 1991, A bill for an act relating to government operations; regulating public employee leave of absences; providing for task force member's compensation; providing for civil service exams for handicapped persons; authorizing the commissioner of employee relations to negotiate insurance premium rates; providing for appeals of disciplinary actions; providing for unclassified positions; amending Minnesota Statutes 1982, sections 15.014, subdivision 2; 15.0593; 43A.08, subdivision 1; 43A.33, subdivisions 1 and 3; Minnesota Statutes 1983 Supplement, sections 43A.08, subdivision 1a; 43A.10, subdivision 8; 43A.23, subdivision 1; and 116L.03, subdivision 6; repealing Minnesota Statutes 1982, section 15.62.

Reported the same back with the following amendments :

Page 9, delete lines 5 and 6 and insert :

"Sec. 10. Minnesota Statutes 1982, section 15.62, subdivision 2, is amended to read :

Subd. 2. A public employee who qualifies as a member of the United States team for athletic competition (ON THE WORLD, PAN AMERICAN OR OLYMPIC LEVEL, IN A SPORT CONTESTED IN EITHER PAN AMERICAN OR OLYMPIC COMPETITIONS,) *in a sport sanctioned by the International Olympic Committee* shall be granted a leave of absence without loss of pay or other benefits or rights for the purpose of preparing for and engaging in the competition. In no event shall the paid leave

under this section exceed the period of the official training camp and competition combined or 90 calendar days a year, whichever is less."

Amend the title as follows:

Page 1, line 10, after "15.0593;" insert "15.62, subdivision 2;"

Page 1, line 14, delete everything after "6"

Page 1, line 15, delete "section 15.62"

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. 1992, A bill for an act relating to economic development; establishing a Minnesota convention facility commission; requiring the commission to report to the governor and legislature a proposal for the construction, operation, promotion, and financing of a Minnesota convention facility; appropriating money.

Reported the same back with the following amendments:

Page 2, line 2, after the period insert "*There shall be one member who resides in each congressional district in the state.*"

Page 2, line 30, after the period insert "*The commission shall consider but not be limited to expansion and conversion of existing facilities.*"

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. 2006, A bill for an act relating to game and fish; authorizing reciprocity with Wisconsin in the purchase and sale of annual hunting and fishing licenses; proposing new law coded in Minnesota Statutes, chapter 98.

Reported the same back with the following amendments:

Page 1, after line 17, insert:

*"The commissioner of natural resources in Minnesota and Wisconsin must agree on joint standards for defining real property ownership. The joint standards shall be presented to the standing committees in the house and senate with jurisdiction over natural resources."*

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 2021, A bill for an act relating to motor fuels; prohibiting lead compounds and EDB additives in gasoline; amending Minnesota Statutes 1982, section 296.05, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, delete lines 6 to 12 and insert:

*"Whereas, the major ongoing source of new lead added to the environment of Minnesota is the combustion of leaded gasoline by automobiles; and*

*Whereas, lead from gasoline is a major contributor to the level of lead in children and adults in Minnesota; and*

*Whereas, because lead is a poison that damages the central nervous system its presence in the environment is a major health hazard affecting Minnesota children, especially central city children, resulting in learning disabilities, behavioral problems, and mental retardation; and*

*Whereas, the presence of lead in the environment of Minnesota also affects the human reproductive and blood-forming systems; and*

*Whereas, lead has been allowed to accumulate in the environment of Minnesota, especially in the central cities, to clearly unacceptable levels; Now, Therefore,*

*Be It Resolved* by the Legislature of the State of Minnesota that the Environmental Protection Agency adopt rules for the immediate and total ban of leaded gasoline. In adopting these rules, the Environmental Protection Agency should consider

appropriate exclusions from this ban for trucks and farm vehicles.

*Be It Further Resolved* that in the alternative, Congress should speedily enact legislation to amend the federal Clean Air Act to either prohibit leaded gasoline or permit the states to ban leaded gasoline.

*Be It Further Resolved*, that the Secretary of State of the State of Minnesota be directed to transmit certified copies of this resolution to the director of the United States Environmental Protection Agency and to the Minnesota Congressional delegation."

Delete the title and insert:

"A resolution memorializing the United States Environmental Protection Agency to adopt rules for a ban on leaded gasoline, and memorializing the Congress of the United States to enact legislation either prohibiting leaded gasoline or allowing the states to prohibit it."

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.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2022, A bill for an act relating to economic security; clarifying the emergency employment development jobs program; regulating the payment of cash allowances; amending Minnesota Statutes 1983 Supplement, sections 256D.111, subdivision 2; 256D.112; 268.80; and 268.81.

Reported the same back with the following amendments:

Page 2, line 34, delete "*welfare*"

Page 2, line 36, delete "*of public welfare*"

Page 3, line 5, after "*employment*" insert a comma

Page 3, line 7, delete "*of public welfare*"

Page 3, line 8, before "*A*" insert "*The exemption of*"

Page 3, line 8, delete "*exempt under clause*" and insert "*described in clause*"

Page 4, line 28, delete "*employment*"

Page 5, line 10, delete "*payments*"

Page 5, line 11, after the first "*of*" insert "*a*"

Page 5, line 12, delete "*payment*"

Page 5, line 12, after "*include*" insert "*a written*"

Page 5, line 13, delete "*meets the general*"

Page 5, delete lines 14 to 16

Page 5, line 17, delete "*if the person has applied*" and insert "*applies*"

Page 5, line 19, after "*allowance*" insert "*, the person shall be deemed eligible for general assistance, and shall be paid general assistance to cover the period immediately following the period covered by the allowance*"

Page 6, line 20, delete "*cash*"

Page 6, line 21, delete "*a cash*" and insert "*an*"

Page 6, line 23, delete "*payment*"

Page 6, line 23, after "*a*" insert "*written*"

Page 6, line 24, delete "*meets the general*"

Page 6, delete lines 25 to 27

Page 6, line 28, delete "*if the person has applied*" and insert "*applies*"

Page 6, line 30, after "*allowance*" insert "*, the person shall be deemed to be eligible for general assistance, and shall be paid general assistance to cover the period immediately following the period covered by the allowance*"

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 Economic Development to which was referred:

H. F. No. 2023, A bill for an act relating to the office of the secretary of state; providing for the simplification of various filings with that office; eliminating or transferring certain filings; providing for uniform standards for the filing of names of limited partnerships, corporations, cooperatives, and assumed names and marks; eliminating the requirement of publication after incorporation; shifting the time of publication of certificate of assumed name; providing for the filing and enforcement of security interests; providing for the determination of eligibility for the indemnification of certain persons; prohibiting the modification in bylaws of a certain provision relating to the voting power of shares; providing a time limit on claims to shareholders; delaying the effective date of the corporate registration requirement; amending Minnesota Statutes 1982, sections 35.14; 62C.06, subdivision 3; 62G.08, subdivision 2; 66A.08, subdivision 4; 72A.43, subdivisions 1 and 2; 121.212, subdivision 3; 169.966, subdivision 7; 272.483; 297.04, subdivision 3; 302A.111, subdivisions 2 and 3; 302A.115, subdivision 1; 302A.131; 302A.445, subdivision 3; 302A.729, subdivisions 1 and 2; 302A.733, subdivision 2; 303.06, subdivision 1; 303.13, subdivisions 1 and 3; 303.17, subdivision 3; 315.15; 315.20, subdivisions 2 and 3; 315.23, subdivision 2; 315.32; 315.365, subdivision 2; 317.09, subdivision 2; 318.02, subdivision 1; 322A.02; 322A.86; 325D.67, subdivisions 5 and 6; 331.02, subdivision 1; 333.001, subdivisions 3 and 4; 333.01; 333.02; 333.035; 333.055, subdivision 1; 333.06; 333.19, subdivision 1; 333.21, subdivision 1; 336.9-402; 336.9-403; 336.9-404; 336.9-405; 336.9-406; 362A.01, subdivision 1; 365.46; 379.05; 507.10; 540.152; 543.08; Minnesota Statutes 1983 Supplement, sections 53.03, subdivisions 5 and 6; 300.083, subdivision 6; 302A.521, subdivision 6; 336.9-401; 507.09; and 648.39, subdivision 1; Laws 1981, chapter 270, section 144; repealing Minnesota Statutes 1982, sections 5.11; 51A.03, subdivision 5; 62C.06, subdivision 4; 308.15, subdivision 3; and 507.31, subdivision 2.

Reported the same back with the following amendments:

Pages 2, 3, and 4, delete sections 2 and 3

Page 62, line 17, delete "64" and insert "62"

Remember the sections in sequence

Amend the title as follows:

Page 1, line 36, delete "53.03, subdivisions 5 and 6;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2038, A bill for an act relating to local government; providing procedures for making certain contracts; amending Minnesota Statutes 1983 Supplement, section 471.345, subdivision 5.

Reported the same back with the following amendments:

Page 1, lines 16 and 17, delete section 2

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. 2051, A bill for an act relating to agriculture; authorizing the energy and economic development authority to purchase, make, or participate in farm loans and to issue bonds or notes for this purpose; amending Minnesota Statutes 1983 Supplement, section 116J.88, subdivisions 7 and 7a; 116J.90, subdivisions 1 and 3; and proposing new law coded in Minnesota Statutes, chapter 116J.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2052, A bill for an act relating to public welfare; providing for the recoupment and set-off of overpayments in the general assistance program; extending the right of a welfare agency to reimbursement for medical assistance paid by other sources to a recipient of Minnesota supplemental aid; placing the primary reimbursement on the recipient; amending Minnesota Statutes 1982, section 256D.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 256D.06, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 22, after the period insert *"For any month in which an overpayment is to be recovered, recoupment may be*



*made by reducing the grant but only if the reduced assistance payment, together with the assistance unit's liquid assets and total income after deducting actual work expenses equals at least 95 percent of the applicable standard of assistance for the assistance unit, except that if the overpayment is due solely to agency error, this total after deducting actual work expenses shall equal at least 99 percent of the applicable standard of assistance."*

Page 2, line 2, delete everything after the period

Page 2, delete lines 3 to 5

Pages 2 and 3, delete section 2 and insert:

**"Sec. 2. [256D.43] [RECOVERIES OF SUPPLEMENTAL AID UNDER INTERIM ASSISTANCE AGREEMENTS.]**

*Any applicant, otherwise eligible for supplemental aid and possibly eligible for maintenance benefits from any other source shall (a) make application for those benefits within 30 days of the supplemental aid application; and (b) execute an interim assistance authorization agreement on a form as directed by the commissioner. If found eligible for benefits from other sources and a payment received from another source relates to the period during which supplemental aid is also being received, the recipient shall be required to reimburse the local agency for the interim assistance paid. Reimbursement shall not exceed the amount of supplemental aid paid during the time period to which the other maintenance benefits apply and shall not exceed the state standard applicable to that time period. Reimbursement may be sought directly from the other source of maintenance income but shall remain the primary obligation of the recipient. The commissioner shall adopt rules, and may adopt temporary rules, in accordance with chapter 14, authorizing local agencies to retain from the amount recovered under an interim assistance agreement 25 percent plus actual reasonable fees, costs, and disbursements of appeals and litigation, of providing special assistance to the recipient in processing the recipient's claim for maintenance benefits from another source. The money retained under this section shall be from the state share of the recovery. The local agency may contract with qualified persons to provide the special assistance. The rules adopted by the commissioner shall include the methods by which local agencies shall identify, refer, and assist recipients who may be eligible for benefits under federal programs for the disabled. This subdivision does not require repayment of per diem payments made to shelters for battered women pursuant to section 256D.05, subdivision 3."*

Amend the title as follows:

Page 1, line 9, delete "Minnesota Statutes"

Page 1, line 10, delete everything before the period and insert "proposing new law coded in Minnesota Statutes, chapter 256D"

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 Economic Development to which was referred:

H. F. No. 2084, A bill for an act relating to economic development; providing for economic development grants to local units of government; appropriating money.

Reported the same back with the following amendments:

Page 1, line 22, after "*communities*" insert "*and recognized Indian tribal governments*"

Page 1, line 24, before the period, insert "*, except that all units of general purpose local government shall be eligible applicants for economic recovery grants*"

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 Economic Development to which was referred:

H. F. No. 2085, A bill for an act relating to economic development; clarifying provisions relating to the export finance authority; amending Minnesota Statutes 1983 Supplement, sections 17.104, by adding a subdivision; and 17.105, subdivisions 1, 3, 4, and 7.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2087, A bill for an act relating to health; requiring disclosure of certain medical data or medical information for

the purpose of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; and 254A.-09.

Reported the same back with the following amendments:

Page 1, line 25, after "information" insert "*, upon written request,*"

Page 3, line 17, delete "*Directory*"

Page 3, delete lines 18 and 19

Page 3, line 20, delete "*this subdivision.*" and insert "*Providers defined in subdivision 1, clause (b) (2) who are not public hospitals as described in section 13.42, subdivision 2, shall not release directory information without consent of the patient, except as provided in this subdivision.*"

Page 3, line 26, after "information" insert "*, upon written request,*"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2093, A bill for an act relating to tax court judges; permitting retired tax judges to serve on the tax court; amending Minnesota Statutes 1982, section 271.01, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2096, A bill for an act relating to state government; establishing the world trade center board and fixing its duties; transferring functions from the department of agriculture; amending Minnesota Statutes 1982, section 17.03, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 44A; repealing Minnesota Statutes 1983 Supplement, section 17.106.

Reported the same back with the following amendments:

Page 1, line 25, delete "11" and insert "*seven voting members and four legislators serving as ex officio, nonvoting*"

Page 1, line 25, delete "Three" and insert "Five"

Page 2, line 7, delete "three" and insert "five"

Page 2, line 8, delete "four" and insert "two"

Page 2, line 12, delete "*under the rules of the house*"

Page 2, line 13, delete "*of representatives*" and insert "*by the speaker*"

Page 2, line 30, delete "*knowledgeable in the field of*" and insert "*familiar with the*"

Page 2, line 30, delete "trade" and insert "*business community,*"

Page 2, line 31, after "in" insert "*communications skills,*" and delete "the"

Page 2, line 32, delete "*of programs relating to international trade*" and insert "*, and public and private joint ventures*"

Page 3, line 20, after the period insert "*Any gift received by a member or employee of the board in their official capacity, which has a retail value of more than \$50, becomes the property of the state.*"

Page 3, line 34, after the first semicolon insert "*telecommunications services;*"

Page 4, line 30, before "The" add "*Four unclassified positions in the department of agriculture are transferred to the world trade center board under Minnesota Statutes, section 15.039. Effective July 1, 1985,*"

Page 4, line 32, delete "*and the duties of the world trade center council*" and insert "*and ten classified positions*"

Page 4, line 33, after "under" insert "*Minnesota Statutes,*"

Page 4, line 34, delete everything after "board."

Page 4, delete line 35 and insert "*The department of agriculture shall cooperate fully with the board until this transfer is accomplished.*"

## Sec. 10. [GOVERNOR'S COUNCIL.]

*The governor's council on the world trade center has all the powers granted to the board in this act until the entire board has been appointed."*

Page 5, line 4, before the period insert "*, with the exception that section 11 is effective July 1, 1985*"

Renumber the sections in sequence

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. 2124, A bill for an act relating to agriculture; authorizing the commissioner to use certain funds for short-term loans to help participants meet their family farm security loan obligations; amending Minnesota Statutes 1982, section 41.56, subdivision 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce and Economic Development to which was referred:

H. F. No. 2141, A bill for an act relating to commerce; modifying the definition of "franchise" for purposes of franchise regulation; amending Minnesota Statutes 1982, section 80C.01, subdivision 4.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2150, A bill for an act relating to newspapers; making certain publications legal newspapers; proposing new law coded in Minnesota Statutes, chapter 331.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 2160, A bill for an act relating to public employment labor relations; recodifying the public employment labor relations act; proposing new law coded as Minnesota Statutes, chapter 179A; repealing Minnesota Statutes 1982, sections 179.61 to 179.76, as amended.

Reported the same back with the following amendments:

Page 1, line 11, after the period insert "*The intent of this act is to eliminate obsolete and redundant language, arrange the provisions governing public sector labor relations in a more logical order, and make the law easier to read and understand.*"

Page 2, line 29, delete "section" and insert "sections" and after "179A.09" insert "to 179A.11"

Page 6, line 18, delete ", for a period of more than 30"

Page 6, line 19, delete "working days, a" and insert "an absent"

Page 6, line 20, after "employee" insert ", where the replacement employee is employed more than 30 working days as a replacement for that teacher or faculty member"

Page 6, line 27, delete "179A.22" and insert "179A.10 for executive branch employees"

Page 9, line 18, after "for" insert "interest"

Page 9, line 31, after "all" insert "decisions of"

Page 9, line 36, delete "3" and insert "4"

Page 12, line 22, delete "other"

Page 12, line 28, delete "*supervisory essential employees*" and insert "*supervisors*"

Page 12, line 28, after "*are*" insert ":(1) *firefighters, peace officers subject to licensure under sections 626.84 to 626.855, guards at correctional facilities, or employees at hospitals other than state hospitals; and (2)*"

Page 15, line 7, delete "*employed*"

Page 15, line 36, delete "20" and insert "19"

Page 21, line 33, delete "*their*" and insert "*its*"

Page 29, line 1, delete "BINDING" and insert "INTEREST"

Page 29, line 1, delete "FOR NONESSENTIAL"

Page 29, line 2, delete "EMPLOYEES"

Page 29, line 3, delete "INTEREST ARBITRATION" and insert "NONESSENTIAL EMPLOYEES"

Page 29, line 18, delete "BINDING ARBITRATION PETITIONS FOR"

Page 30, line 10, after "*certified*" insert "*to*"

Page 30, line 19, delete the last "*or*"

Page 30, line 20, delete "*regulations*"

Page 30, line 20, after the first comma insert "*or*"

Page 30, line 20, delete the last "*municipal*"

Page 30, line 21, delete "*municipal*"

Page 30, line 21, delete "*which*" and insert "*, provided that the rules, charters, ordinances, and resolutions*"

Page 31, line 13, delete "*For supervisory employees,*"

Page 31, delete lines 14 to 17

Page 31, line 18, delete "*to the panel.*"

Page 37, after line 12, insert:

"Subd. 2. [NO CONTRACT PROVISIONS CONTRARY TO LAW.] *No provision of a contract shall be in conflict with:*

(1) *the laws of Minnesota; or*

(2) *rules promulgated under law, or municipal charters, ordinances, or resolutions, provided that the rules, charters, ordinances, and resolutions are consistent with this chapter."*

Renumber the subdivisions in sequence

Page 38, line 28, delete "*the chairman*"

Page 38, line 29, delete the first "*of*"

Page 42, line 8, delete the last "*4*" and insert "*5*"

Page 42, line 11, delete the last "*3*" and insert "*4*"

Page 42, line 15, delete the last "*3*" and insert "*4*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 2172, A bill for an act relating to transportation; highways; modifying restrictions on loading of vehicles driven on highways; amending Minnesota Statutes 1982, section 169.81, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 11, reinstate the stricken comma

Page 1, line 12, delete the new language

Page 1, line 17, after the period insert "*A vehicle carrying a load of split firewood which protrudes above the sides of the truck or trailer must be securely covered or fastened.*"

Page 1, line 19, after "*produce*" insert "*other than split firewood*"

Amend the title as follows:

Page 1, line 2, delete "*modifying*"

Page 1, delete line 3



Page 1, line 4, delete "highways" and insert "requiring certain loads of firewood to be securely covered or fastened"

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. 2182, A bill for an act relating to agriculture; changing certain duties of the commissioner; changing certain reporting requirements concerning agricultural land ownership; exempting the family farm security program from certain loan commitment approval requirements; amending Minnesota Statutes 1982, sections 21.118; 500.221, subdivision 2a; 500.24, subdivision 4; and Minnesota Statutes 1983 Supplement, sections 16A.80, subdivision 2; and 500.221, subdivision 4.

Reported the same back with the following amendments:

Page 2, after line 9, insert:

"Sec. 3. Minnesota Statutes 1982, section 29.27, is amended to read:

29.27 [RULES.]

The department may supervise, regulate, and, in the manner provided by law (MAKE REASONABLE) *adopt temporary or permanent* rules (AND REGULATIONS) relative to grading, candling, cleaning, breaking, purchasing, and selling of eggs and egg products for purpose of preserving and protecting the public health. In addition hereto, it is the express purpose herein that inasmuch as the breaking of eggs for re-sale is a matter of state concern, the surroundings in which such product is handled should be maintained in a sanitary condition, and, therefore, the department may establish, in the manner provided by law, (REASONABLE) rules (AND REGULATIONS) relative to the inspection of all establishments wherein the business of breaking eggs for re-sale is maintained, and when the sanitary conditions of any such establishment are such that the product is rendered, or is likely to be rendered, unclean, unsound, unhealthful, unwholesome, or otherwise unfit for human consumption, it may revoke such license to break eggs for re-sale until such time as the department is satisfied that the establishment is maintained in a sanitary condition. The department shall have the right, from time to time, to adopt different rules (AND REGULATIONS) in the same manner as herein set forth. All liquid, frozen or dried egg products sold or offered for sale shall be processed under continuous supervision of an inspector of

the department or of the United States department of agriculture.

Sec. 4. Minnesota Statutes 1982, section 31.11, is amended to read:

31.11 [RULES (AND REGULATIONS).]

For the purpose of preventing fraud and deception in the manufacture, use, sale, and transportation of food, or for the purpose of protecting and preserving the public health, it shall also be the duty of the commissioner to (MAKE AND PUBLISH UNIFORM) *adopt temporary or permanent* rules (AND REGULATIONS), not inconsistent with law, for carrying out and enforcing the provisions of laws now or hereafter enacted relating to food; which rules (AND REGULATIONS) shall be made in the manner provided by law. Until such rules (AND REGULATIONS) are made and published, the rules (AND REGULATIONS) heretofore made by the commissioner shall remain in full force and effect, except as otherwise prescribed by law. Any person who shall manufacture, use, sell, transport, offer for use, sale or transportation, or have in possession with intent to use, sell or transport, any article of food contrary to the provisions of any such rule (OR REGULATION), or who shall fail to comply with any such rule (OR REGULATION), shall be guilty of a misdemeanor.

Sec. 5. Minnesota Statutes 1982, section 31A.08, is amended to read:

31A.08 [RULES (AND REGULATIONS).]

The commissioner shall cause to be made, by experts in sanitation, or by other competent inspectors, the inspections of all slaughtering, meat canning, salting, packing, rendering, or similar establishments in which animals are slaughtered and the meat and meat food products thereof are prepared solely for intrastate commerce as may be necessary to inform himself concerning the sanitary conditions of the establishments, and to (PRESCRIBE THE) *adopt temporary or permanent* rules (AND REGULATIONS) of sanitation under which the establishments shall be maintained; and where the sanitary conditions of any establishment are such that the meat or meat food products are rendered adulterated, he shall refuse to allow the meat or meat food products to be labeled, marked, stamped, or tagged as "Minnesota Inspected and Passed".

Renumber the remaining sections in sequence

Amend the title as follows:

Page 1, line 7, after the semicolon insert "29.27; 31.11; 31A.08;"

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. 2183, A bill for an act relating to health; providing counseling and educational services for sudden infant death syndrome families; requiring autopsies on victims of sudden infant death syndrome; requiring the report of sudden infant death to the registrar of vital statistics; amending Minnesota Statutes 1982, sections 144.06; 144.07; 144.222; and 390.11.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1

Page 3, line 16, delete "*The coroner or*"

Page 3, delete lines 17 to 19

Page 3, line 20, delete "*parents or guardian.*"

Page 3, line 20, delete "*the*" and insert "*an*"

Renumber sections in sequence

Amend the title as follows:

Page 1, line 7, delete "144.06;"

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. 2184, A bill for an act relating to agriculture; directing further study on the problem of stray voltage; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2196, A bill for an act relating to local government; providing for the conveyance of certain tax forfeited land in Morrison County.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2241, A bill for an act relating to the operation of state government; changing the law on the administration of state finances and accounting practices; amending Minnesota Statutes 1982, sections 3.3005; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 16.026, subdivisions 3 and 7; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision 2; 16A.28; 16A.45; 16A.53; 16A.63; 16A.64, as amended; 16A.65; 16A.66, as amended; 16A.671; 16A.675; 43A.30, by adding a subdivision; 158.07; 158.08; Minnesota Statutes 1983 Supplement, sections 16A.125, subdivision 5; 16A.15, subdivision 6; 16A.36; 16A.672; 298.296, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 16A; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.54; 16A.59; and 16A.73.

Reported the same back with the following amendments:

Page 14, line 20, delete "is" and insert "are"

Page 16, line 26, delete "is" and insert "are"

Page 19, line 29, delete the second "by"

Page 21, line 18, delete "in the manner" and insert "upon sealed bids"

Page 22, line 15, delete "him" and insert "the commissioner"

Page 24, delete lines 10 to 14

Page 36, line 5, delete "The" and insert "the"

Page 40, line 36, after the comma insert "workers' compensation cost control projects approved by the affected department head,"

Page 43, line 1, delete "*commissioner*" and insert "*commission*"

Page 43, after line 7, insert:

"Sec. 37. [116J.93] [OFFICE OF MEDICAL AND BIOLOGICAL TECHNOLOGY.]

*An office of medical and biological technology is created in the department of energy and economic development. The office shall be under the direction of an executive director appointed by the commissioner of energy and economic development. The office shall:*

(1) *coordinate the efforts of the various segments of the medical technology industry and health care delivery system;*

(2) *work with the state department of education to develop curricula and job training programs related to the jurisdiction of the office;*

(3) *initiate and continue programs of recruitment and retention of medical technology firms; and*

(4) *seek to develop international medical product shows and conferences to highlight Minnesota as a national and international medical center."*

Renumber the remaining sections

Page 43, line 16, delete "\$8,400,000" and insert "\$8,480,000"

Page 43, line 30, delete "INTERPRETATIVE" and insert "INTERPRETIVE"

Page 43, line 33, delete "*Interpretative*" and insert "*Interpretive*"

Page 44, line 5, delete "40" and insert "41"

Amend the title as follows:

Page 1, line 16, after "16A" insert "and 116J"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

S. F. No. 1453, A bill for an act relating to public welfare; making county of residence financially responsible for detoxification services provided to chemical dependency facility clients; amending Minnesota Statutes 1983 Supplement, section 256E.08, subdivision 7.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

S. F. No. 1475, A bill for an act relating to communications; permitting a municipality to be represented by its designee on a joint cable communication commission; amending Minnesota Statutes 1982, section 238.08, subdivision 5.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

S. F. No. 1563, A bill for an act relating to labor; extending the statute of limitation on certain actions to recover wages or overtime; clarifying child labor penalties; amending Minnesota Statutes 1982, section 541.07; Minnesota Statutes 1983 Supplement, section 181A.12, subdivision 1.

Reported the same back with the following amendments:

Page 4, after line 3, insert:

"Sec. 3. Laws 1967, chapter 252, section 2, as amended by Laws 1971, chapter 683, section 1, and Laws 1983, chapter 161, section 1, is amended to read:

Sec. 2. [INDEPENDENT SCHOOL DISTRICT NO. 709; EMPLOYEES; EXCEPTIONS.] The term "employees," as used in this act, shall not include members of the school board, superintendent of schools, assistant superintendents of schools,

teachers, other employees of the school district whose positions require them to be certified pursuant to rules and regulations adopted by the state board of education, directors, administrative assistants, clerical or similar workers, *food service workers*, deputy clerk and purchasing agent, supervisors, advisors, coordinators, physicians, attorney, nurses, and temporary employees.

Sec. 4. [EFFECTIVE DATE.]

*Section 3 is effective upon compliance with Minnesota Statutes, section 645.021."*

Amend the title as follows:

Page 1, line 4, after the semicolon insert "removing food service workers from School District No. 709 civil service;"

Page 1, line 6, before the period insert "; and Laws 1967, chapter 252, section 2, as amended"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 207, 322, 427, 600, 1338, 1352, 1371, 1401, 1422, 1423, 1502, 1619, 1656, 1672, 1679, 1709, 1749, 1753, 1765, 1767, 1771, 1778, 1813, 1814, 1815, 1819, 1822, 1844, 1860, 1872, 1881, 1903, 1909, 1917, 1949, 1961, 1975, 1985, 1987, 1991, 2023, 2038, 2085, 2087, 2093, 2124, 2141, 2150, 2160, 2172, 2182 and 2196 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 1757, 1127, 1139, 1453, 1475 and 1563 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Greenfield, Brandl, Wynia and Murphy introduced:

H. F. No. 2265, A bill for an act relating to public welfare: requiring licensure for adult day care facilities and supportive

living residences; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and 6, and by adding a subdivision; 245.791; and 245.802, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Staten introduced:

H. F. No. 2266, A bill for an act relating to the human rights department; appropriating money to the commissioner of human rights to hire temporary staff.

The bill was read for the first time and referred to the Committee on Appropriations.

Staten introduced:

H. F. No. 2267, A bill for an act relating to public welfare; providing for special transportation services for the blind elderly; amending Minnesota Statutes 1982, section 174.31, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Staten introduced:

H. F. No. 2268, A bill for an act relating to dogs; limiting seizure of unlicensed dogs; amending Minnesota Statutes 1982, section 347.14.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Segal and Coleman introduced:

H. F. No. 2269, A bill for an act relating to taxation; income; conforming to federal law for treatment of contributions to individual retirement plans and other pension plans; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

The bill was read for the first time and referred to the Committee on Taxes.



Dempsey, Blatz and Piepho introduced :

H. F. No. 2270, A bill for an act relating to marriage dissolution; providing a summary dissolution procedure; proposing new law coded in Minnesota Statutes, chapter 518.

The bill was read for the first time and referred to the Committee on Judiciary.

Segal introduced :

H. F. No. 2271, A bill for an act relating to housing; requiring a written disclosure notice to accompany the sale of homes on leased land; proposing new law coded in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Commerce and Economic Development.

O'Connor introduced :

H. F. No. 2272, A bill for an act relating to gambling; removing the yearly total prize award limit on licensed organizations; amending Minnesota Statutes 1982, section 349.26, subdivision 15.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Riveness; Nelson, D., and Knuth introduced :

H. F. No. 2273, A bill for an act relating to landlords and tenants; increasing the interest rate paid by landlords on rental deposits; amending Minnesota Statutes 1982, section 504.20, subdivision 2.

The bill was read for the first time and referred to the Committee on Energy.

Riveness, Knuth, O'Connor, Price and Hoffman introduced :

H. F. No. 2274, A bill for an act relating to landlords and tenants; allowing a tenant early termination of a rental lease under certain conditions; proposing new law coded in Minnesota Statutes, chapter 504.

The bill was read for the first time and referred to the Committee on Energy.

Simoneau introduced:

H. F. No. 2275, A bill for an act relating to taxation; providing a reduced sales and use tax rate on capital equipment and construction materials used in expansion of certain facilities; amending Minnesota Statutes 1982, sections 297A.01, by adding a subdivision; and 297A.02, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 297A.14.

The bill was read for the first time and referred to the Committee on Taxes.

Minne, Begich, Battaglia, Elioff and Solberg introduced:

H. F. No. 2276, A resolution memorializing Congress to enact H. R. 5081, the Fair Trade in Steel Act of 1984.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Staten introduced:

H. F. No. 2277, A bill for an act relating to economic development; augmenting the Small Business Procurement Act; amending Minnesota Statutes 1982, sections 16.06, subdivision 1; 16.081; 16.083, subdivision 2; and 16.086, subdivision 2; Minnesota Statutes 1983 Supplement, sections 16.083, subdivisions 1, 1a, 3, 4, 4a, 5, and 6; 16.084; 16.085; 16.086, subdivision 1; and 16.28; repealing Minnesota Statutes 1983 Supplement, section 16.083, subdivision 4b.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Solberg, Ogren and Battaglia introduced:

H. F. No. 2278, A bill for an act relating to corporations; authorizing the organization of employee cooperative corporations; regulating the organization and conduct of these corporations; proposing new law coded as Minnesota Statutes, chapter 302B.

The bill was read for the first time and referred to the Committee on Judiciary.

Beard introduced:

H. F. No. 2279, 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 Judiciary.

Sparby, Eken and Tunheim introduced:

H. F. No. 2280, A bill for an act relating to employment; Minnesota Emergency Employment Development Act; clarifying a definition; providing that certain farmers may be considered unemployed; providing a waiver for use of discretionary funds; specifying use of funds; delaying the expiration date of the act; appropriating money; amending Minnesota Statutes 1983 Supplement, sections 268.672, subdivision 6; 268.676, subdivision 2; 268.677; and 268.686.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Knickerbocker introduced:

H. F. No. 2281, A bill for an act relating to liens; providing for the creation, enforcement, and satisfaction or discharge of construction liens on real property; creating a homeowners construction lien recovery fund; prescribing penalties; proposing new law coded as Minnesota Statutes, chapter 514A; repealing Minnesota Statutes 1982, sections 514.01; 514.02 to 514.06; and 514.09 to 514.16; Minnesota Statutes 1983 Supplement, sections 514.011; 514.07; and 514.08.

The bill was read for the first time and referred to the Committee on Judiciary.

Graba and Krueger introduced:

H. F. No. 2282, A bill for an act relating to public welfare; limiting the eligibility of students and clarifying eligibility standards for the state general assistance program; amending Minnesota Statutes 1982, sections 256D.02, subdivision 6, and by adding a subdivision; 256D.03, subdivision 1; 256D.05, subdivision 1; and 256D.15; Minnesota Statutes 1983 Supplement, sec-

tions 256D.01, subdivision 1; 256D.02, subdivision 4; and 256D.111, subdivision 2.

The bill was read for the first time and referred to the Committee on Appropriations.

Kahn introduced:

H. F. No. 2283, A bill for an act relating to natural resources; allocating proceeds of sales of certain surplus state lands to a land acquisition account; appropriating money; amending Minnesota Statutes 1982, sections 84.085; 84A.53; 84A.54; and 94.16.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Welch; Nelson, K.; Nelson, D., and McEachern introduced:

H. F. No. 2284, A bill for an act relating to education; appropriating money to the University of Minnesota for college enrichment programs for high school and college teachers and students involved in certain programs.

The bill was read for the first time and referred to the Committee on Appropriations.

Simoneau introduced:

H. F. No. 2285, A bill for an act relating to game and fish; exempting certain aged and disabled Minnesota residents from small game and deer license fees; amending Minnesota Statutes 1982, section 98.47, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Redalen and Johnson introduced:

H. F. No. 2286, A bill for an act relating to taxation; property; changing the state school agricultural credit; changing the property tax treatment of homesteads; repealing rent capitalization method of valuing agricultural land; amending Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; and 273.13, subdivisions 4, 6, and 7; repealing Minnesota Statutes 1983 Supplement, section 273.11, subdivision 7.

The bill was read for the first time and referred to the Committee on Taxes.

Rice and Begich introduced:

H. F. No. 2287, A bill for an act relating to labor; prohibiting the use of strikebreakers by public employers; amending Minnesota Statutes 1982, section 179.01, subdivision 3.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Welch introduced:

H. F. No. 2288, A bill for an act relating to public welfare; specifying the composition and duties of the advisory council for the developmentally disabled; amending Minnesota Statutes 1983 Supplement, section 252.31.

The bill was read for the first time and referred to the Committee on Health and Welfare.

### CONSENT CALENDAR

H. F. No. 1670, A bill for an act relating to transportation; expanding scope of state commuter van transportation program; amending Minnesota Statutes 1982, section 16.756, subdivisions 1, 1a, and 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 116 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Coleman	Hokr	McKasy	Price
Anderson, G.	Dempsey	Jacobs	Metzen	Quinn
Anderson, R.	Dimler	Jennings	Minne	Quist
Battaglia	Eken	Jensen	Munger	Redalen
Beard	Ellingson	Johnson	Murphy	Reif
Begich	Erickson	Kahn	Nelson, D.	Riveness
Bennett	Evans	Kalis	Nelson, K.	Rodosovich
Bergstrom	Findlay	Kelly	Neuenschwander	Rodriguez, C.
Blatz	Forsythe	Knickerbocker	O'Connor	Rodriguez, F.
Boo	Frerichs	Knuth	Ogren	Rose
Brandl	Graba	Kostohryz	Olsen	St. Onge
Brinkman	Greenfield	Krueger	Omman	Sarna
Burger	Gruenes	Larsen	Onnen	Schoenfeld
Carlson, D.	Gustafson	Levi	Osthoff	Schreiber
Carlson, L.	Gutknecht	Long	Otis	Seaberg
Clark, J.	Haukoos	Mann	Pauly	Segal
Clark, K.	Heap	Marsh	Peterson	Sherman
Clawson	Heinitz	McDonald	Piepho	Simoneau
Cohen	Hoffman	McEachern	Piper	Skoglund

Solberg	Swanson	Uphus	Vellenga	Welle
Sparby	Thiede	Valan	Voss	Wenzel
Stadum	Tomlinson	Valento	Waltman	Wynia
Staten	Tunheim	Vanasek	Welch	Speaker Sieben
Sviggum				

Those who voted in the negative were:

Fjoslien	Ludeman	Schafer	Welker	Wigley
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The bill was passed and its title agreed to.

H. F. No. 585, A bill for an act relating to commerce; art; regulating the sale of fine prints; providing sales and advertising disclosures; prescribing penalties; defining terms; proposing new law coded as Minnesota Statutes, chapter 324.

The bill was read for the third 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 11 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dimler	Kelly	Osthoff	Skoglund
Anderson, G.	Eken	Knickerbocker	Otis	Solberg
Anderson, R.	Ellingson	Knuth	Pauly	Sparby
Battaglia	Evans	Kostohryz	Piepho	Stadum
Beard	Findlay	Krueger	Piper	Staten
Begich	Forsythe	Larsen	Price	Sviggum
Bennett	Graba	Levi	Quinn	Swanson
Bergstrom	Greenfield	Long	Quist	Tomlinson
Bishop	Gruenes	Mann	Redalen	Tunheim
Blatz	Gustafson	Marsh	Reif	Uphus
Boo	Gutknecht	McEachern	Riveness	Valan
Brandl	Halberg	McKasy	Rodosovich	Valento
Brinkman	Haukoos	Metzen	Rodriguez, C.	Vanasek
Burger	Heap	Minne	Rodriguez, F.	Vellenga
Carlson, D.	Heinitz	Munger	Rose	Voss
Carlson, L.	Hoffman	Murphy	St. Onge	Waltman
Clark, J.	Hokr	Nelson, K.	Sarna	Welch
Clark, K.	Jacobs	O'Connor	Schoenfeld	Welle
Clawson	Jensen	Ogren	Schreiber	Wenzel
Cohen	Johnson	Olsen	Segal	Wynia
Coleman	Kahn	Omann	Sherman	Zaffke
Dempsey	Kalis	Onnen	Simoneau	Speaker Sieben

Those who voted in the negative were:

DenOuden	Ferichs	Ludeman	Schafer	Welker
Erickson	Jennings	McDonald	Seaberg	Wigley
Fjoslien				

The bill was passed and its title agreed to.

H. F. No. 1325, A bill for an act relating to county law libraries; permitting the appointment of a nonlawyer to the library board; amending Minnesota Statutes 1982, section 140.36, 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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knickerbocker	Pauly	Sparby
Anderson, G.	Erickson	Knuth	Peterson	Stadum
Anderson, R.	Evans	Kostohryz	Piepho	Staten
Battaglia	Findlay	Krueger	Piper	Sviggum
Beard	Fjoslien	Larsen	Price	Swanson
Begich	Forsythe	Levi	Quinn	Thiede
Bennett	Frerichs	Long	Quist	Tomlinson
Bergstrom	Graba	Ludeman	Redalen	Tumheim
Bishop	Greenfield	Mann	Reif	Uphus
Blatz	Gruenes	Marsh	Riverness	Valan
Boo	Gustafson	McDonald	Rodosovich	Valento
Brandl	Gutknecht	McEachern	Rodriguez, C.	Vanasek
Brinkman	Halberg	McKasy	Rodriguez, F.	Vellenga
Burger	Haukoos	Metzen	Rose	Voss
Carlson, D.	Hcap	Minne	St. Onge	Waltman
Carlson, L.	Heinitz	Munger	Sarna	Welch
Clark, J.	Hoffman	Murphy	Schafer	Welker
Clark, K.	Hokr	Nelson, K.	Schoenfeld	Welle
Clawson	Jacobs	O'Connor	Schreiber	Wenzel
Cohen	Jennings	Ogren	Seaberg	Wigley
Coleman	Jensen	Olson	Segal	Wynia
Dempsey	Johnson	Omman	Sherman	Zaffke
DenOuden	Kahn	Onnen	Simoneau	Speaker Sieben
Dimler	Kalis	Osthoff	Skoglund	
Eken	Kelly	Oris	Solberg	

The bill was passed and its title agreed to.

H. F. No. 1404, A bill for an act relating to drainage; providing for correction of certain errors in county or judicial ditch benefits; amending Minnesota Statutes 1982, section 106.465.

The bill was read for the third 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:

Anderson, B.	Beard	Bishop	Brinkman	Clark, J.
Anderson, G.	Begich	Blatz	Burger	Clark, K.
Anderson, R.	Bennett	Boo	Carlson, D.	Clawson
Battaglia	Bergstrom	Brandl	Carlson, L.	Coleman

Dempsey	Himle	McEachern	Reif	Sviggum
DenOuden	Hoffman	McKasy	Riveness	Swanson
Dimler	Hokr	Metzen	Rodosovich	Thiede
Eken	Jacobs	Minne	Rodriguez, C.	Tomlinson
Elioff	Jennings	Munger	Rodriguez, F.	Tunheim
Ellingson	Jensen	Murphy	Rose	Uphus
Erickson	Johnson	Nelson, K.	St. Onge	Valan
Evans	Kahn	O'Connor	Sarna	Valento
Findlay	Kalis	Ogren	Schafer	Vanasek
Fjoslien	Kelly	Olsen	Scheid	Vellenga
Forsythe	Knickerbocker	Omann	Schoenfeld	Voss
Frerichs	Knuth	Onnen	Schreiber	Waltman
Graba	Kostohryz	Osthoff	Seaberg	Welch
Greenfield	Krueger	Otis	Segal	Welker
Gruenes	Kvam	Pauly	Sherman	Welle
Gustafson	Larsen	Peterson	Simoneau	Wenzel
Gutknecht	Levi	Piepho	Skoglund	Wigley
Halberg	Ludeman	Piper	Solberg	Wynia
Haukoos	Mann	Price	Sparby	Zaffke
Heap	Marsh	Quist	Stadum	Speaker Sieben
Heinitz	McDonald	Redalen	Staten	

The bill was passed and its title agreed to.

H. F. No. 1418, A bill for an act relating to the town of Blue Hill; allowing the town to exercise certain powers.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kelly	Otis	Skoglund
Anderson, G.	Ellingson	Knickerbocker	Pauly	Solberg
Anderson, R.	Erickson	Knuth	Peterson	Sparby
Battaglia	Evans	Kostohryz	Piepho	Stadum
Beard	Findlay	Krueger	Piper	Staten
Begich	Fjoslien	Larsen	Price	Sviggum
Bennett	Forsythe	Levi	Quinn	Swanson
Bergstrom	Frerichs	Long	Quist	Thiede
Bishop	Graba	Ludeman	Redalen	Tomlinson
Blatz	Greenfield	Mann	Reif	Tunheim
Boo	Gruenes	Marsh	Riveness	Uphus
Brandl	Gutknecht	McDonald	Rodosovich	Valan
Brinkman	Halberg	McEachern	Rodriguez, C.	Valento
Burger	Haukoos	McKasy	Rodriguez, F.	Vanasek
Carlson, D.	Heap	Metzen	Rose	Vellenga
Carlson, L.	Heinitz	Minne	St. Onge	Voss
Clark, J.	Himle	Munger	Sarna	Waltman
Clark, K.	Hoffman	Murphy	Schafer	Welch
Clawson	Hokr	Nelson, K.	Scheid	Welker
Cohen	Jacobs	O'Connor	Schoenfeld	Welle
Coleman	Jennings	Ogren	Schreiber	Wenzel
Dempsey	Jensen	Olsen	Seaberg	Wigley
DenOuden	Johnson	Omann	Segal	Wynia
Dimler	Kahn	Onnen	Sherman	Zaffke
Eken	Kalis	Osthoff	Simoneau	Speaker Sieben

The bill was passed and its title agreed to.



H. F. No. 1706, A bill for an act relating to St. Louis Park; providing authority to the housing and redevelopment authority to review and approve development in redevelopment areas.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knickerbocker	Otis	Solberg
Anderson, G.	Erickson	Knuth	Pauly	Sparby
Anderson, R.	Evans	Kostohryz	Peterson	Stadum
Battaglia	Findlay	Krueger	Piepho	Staten
Beard	Fjoslien	Kvam	Piper	Sviggum
Begich	Forsythe	Larsen	Price	Swanson
Bennett	Frerichs	Levi	Quinn	Thiede
Bergstrom	Graba	Long	Quist	Tomlinson
Bishop	Greenfield	Ludeman	Redalen	Tunheim
Blatz	Gruenes	Mann	Reif	Uphus
Boo	Gustafson	Marsh	Riveness	Valan
Brandl	Gutknecht	McDonald	Rodosovich	Valento
Brinkman	Halberg	McEachern	Rodriguez, C.	Vanasek
Burger	Haukoos	McKasy	Rodriguez, F.	Vellenga
Carlson, D.	Heap	Metzen	Rose	Voss
Carlson, L.	Heinitz	Minne	St. Onge	Waltman
Clark, J.	Himle	Munger	Sarna	Welch
Clark, K.	Hoffman	Murphy	Schafer	Welle
Clawson	Hokr	Nelson, K.	Scheid	Wenzel
Cohen	Jacobs	Norton	Schoenfeld	Wigley
Coleman	Jennings	O'Connor	Schreiber	Wynia
Dempsey	Jensen	Ogren	Seaberg	Zaffke
DenOuden	Johnson	Olsen	Segal	Speaker Sieben
Dimler	Kahn	Omamm	Sherman	
Eken	Kalis	Onnen	Simoneau	
Elioff	Kelly	Osthoff	Skoglund	

Those who voted in the negative were:

Welker

The bill was passed and its title agreed to.

H. F. No. 1774, A bill for an act relating to transportation; providing for distribution of town road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, 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 124 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, B.	Elioff	Knuth	Otis	Skoglund
Anderson, G.	Ellingson	Kostohryz	Pauly	Solberg
Anderson, R.	Erickson	Krueger	Peterson	Stadum
Battaglia	Evans	Kvam	Piepho	Staren
Beard	Findlay	Larsen	Piper	Sviggum
Begich	Fjoslien	Levi	Price	Swanson
Bennett	Forsythe	Long	Quinn	Thiede
Bergstrom	Frerichs	Ludeman	Quist	Tomlinson
Bishop	Greenfield	Mann	Redalen	Tunheim
Blatz	Gruenes	Marsh	Reif	Uphus
Boo	Gustafson	McDonald	Riveness	Valan
Brandl	Gutknecht	McEachern	Rodosovich	Valento
Brinkman	Halberg	McKasy	Rodriguez, C.	Vanasek
Burger	Haukoos	Metzen	Rodriguez, F.	Vellenga
Carlson, D.	Heinitz	Minne	Rose	Voss
Carlson, L.	Himle	Munger	St. Onge	Waltman
Clark, J.	Hoffman	Murphy	Sarna	Welch
Clark, K.	Jacobs	Nelson, K.	Schafer	Welker
Clawson	Jennings	Norton	Scheid	Welle
Cohen	Jensen	O'Connor	Schoenfeld	Wenzel
Coleman	Johnson	Ogren	Schreiber	Wigley
Dempsey	Kahn	Oisen	Seaberg	Wynia
DenOuden	Kalis	Omamm	Segal	Zaffke
Dimler	Kelly	Onnen	Sherman	Speaker Sieben
Eken	Knickerbocker	Osthoff	Simoneau	

The bill was passed and its title agreed to.

The Speaker called Wynia to the Chair.

H. F. No. 1912, A bill for an act relating to the state agricultural society; changing the authority to make certain contracts; amending Minnesota Statutes 1983 Supplement, section 37.19.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, B.	Carlson, D.	Evans	Himle	Kvam
Anderson, G.	Carlson, L.	Findlay	Hoffman	Larsen
Anderson, R.	Clark, J.	Fjoslien	Hokr	Levi
Battaglia	Clark, K.	Forsythe	Jacobs	Long
Beard	Clawson	Frerichs	Jennings	Ludeman
Begich	Cohen	Graba	Jensen	Mann
Bennett	Coleman	Greenfield	Johnson	Marsh
Bergstrom	Dempsey	Gruenes	Kahn	McDonald
Bishop	DenOuden	Gustafson	Kalis	McEachern
Blatz	Dimler	Gutknecht	Kelly	McKasy
Boo	Eken	Halberg	Knickerbocker	Metzen
Brandl	Elioff	Haukoos	Knuth	Minne
Brinkman	Ellingson	Heap	Kostohryz	Munger
Burger	Erickson	Heinitz	Krueger	Murphy

Nelson, D.	Piepho	Sarna	Stadum	Waltman
Nelson, K.	Piper	Schafer	Staten	Welch
Neuenschwander	Price	Scheid	Sviggum	Welker
Norton	Quinn	Schoenfeld	Swanson	Welle
O'Connor	Quist	Schreiber	Thiede	Wenzel
Ogren	Redalen	Seaberg	Tomlinson	Wigley
Olsen	Reif	Segal	Tunheim	Wynia
Omann	Riveness	Shaver	Uphus	Zaffke
Onnen	Rodosovich	Sherman	Valan	Speaker Sieben
Osthoff	Rodriguez, C.	Simoneau	Valento	
Otis	Rodriguez, F.	Skoglund	Vanasek	
Pauly	Rose	Solberg	Vellenga	
Peterson	St. Onge	Sparby	Voss	

The bill was passed and its title agreed to.

H. F. No. 1915, A bill for an act relating to commerce; providing for the licensing of transient merchants by local units of governments; amending Minnesota Statutes 1982, sections 329.15; and 329.16.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knuth	Osthoff	Simoneau
Anderson, G.	Evans	Kostohryz	Otis	Skoglund
Anderson, R.	Findlay	Krueger	Pauly	Solberg
Battaglia	Fjoslien	Kvam	Peterson	Sparby
Beard	Forsythe	Larsea	Piepho	Stadum
Begich	Frerichs	Levi	Piper	Staten
Bennett	Graba	Long	Price	Sviggum
Bergstrom	Greenfield	Ludeman	Quinn	Swanson
Bishop	Cruenes	Mann	Quist	Thiede
Blatz	Gustafson	Marsh	Redalen	Tomlinson
Boo	Gutknecht	McDonald	Reif	Tunheim
Brandl	Halberg	McEachern	Riveness	Uphus
Brinkman	Haukoos	McKasy	Rodosovich	Valan
Burger	Heap	Metzen	Rodriguez, C.	Valento
Carlson, D.	Heinitz	Minne	Rodriguez, F.	Vanasek
Carlson, L.	Himle	Munger	Rose	Vellenga
Clark, J.	Hoffman	Murphy	St. Onge	Voss
Clark, K.	Hokr	Nelson, D.	Sarna	Waltman
Clawson	Jacobs	Nelson, K.	Schafer	Welch
Cohen	Jennings	Neuenschwander	Scheid	Welker
Coleman	Jensen	Norton	Schoenfeld	Welle
Dempsey	Johnson	O'Connor	Schreiber	Wenzel
DenOuden	Kahn	Ogren	Seaberg	Wigley
Eken	Kalis	Olsen	Segal	Wynia
Elioff	Kelly	Omann	Shaver	Zaffke
Ellingson	Knickerbocker	Onnen	Sherman	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1918, A bill for an act relating to elections; restricting the eligibility for appointment as election judge; amending Minnesota Statutes 1983 Supplement, section 204B.19, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knickerbocker	Otis	Skoglund
Anderson, G.	Erickson	Knuth	Pauly	Solberg
Anderson, R.	Evans	Kostohryz	Peterson	Sparby
Battaglia	Findlay	Krueger	Piepho	Stadum
Beard	Fjoslien	Kvam	Piper	Staten
Begich	Forsythe	Larsen	Price	Swiggum
Bennett	Frerichs	Levi	Quinn	Swanson
Bergstrom	Graba	Long	Quist	Thiede
Bishop	Greenfield	Ludeman	Redalen	Tomlinson
Blatz	Gruenes	Mann	Reif	Tunheim
Boo	Gustafson	Marsh	Rivness	Uphus
Brand	Gutknecht	McEachern	Rodosovich	Valan
Brinkman	Halberg	McKasy	Rodriguez, C.	Valente
Burger	Haukoos	Metzen	Rodriguez, F.	Vanasek
Carlson, D.	Heap	Munger	Rose	Vellenga
Carlson, L.	Heinitz	Murphy	St. Onge	Voss
Clark, J.	Himle	Nelson, D.	Sarna	Waltman
Clark, K.	Hoffman	Nelson, K.	Schafer	Weich
Clawson	Hokr	Neuenschwander	Scheid	Welker
Cohen	Jacobs	Norton	Schoenfeld	Welle
Coleman	Jennings	O'Connor	Schreiber	Wenzel
Dempsey	Jensen	Ogren	Seaberg	Wigley
DenOuden	Johnson	Olsen	Segal	Wynia
Dimler	Kahn	Omamm	Shaver	Zaffke
Eken	Kalis	Onnen	Sherman	Speaker Sieben
Elioff	Kelly	Osthoff	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1936, A bill for an act relating to elections; changing the time for filing for school district offices; amending Minnesota Statutes 1982, section 123.32, subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Bishop	Brinkman	Clark, J.
Anderson, G.	Begich	Blatz	Burger	Clark, K.
Anderson, R.	Bennett	Boo	Carlson, D.	Cohen
Battaglia	Bergstrom	Brandl	Carlson, L.	Coleman

Dempsey	Jacobs	Metzen	Redalen	Stadum
DenOuden	Jennings	Minne	Reif	Sviggum
Dimler	Jensen	Munger	Riveness	Swanson
Eken	Johnson	Murphy	Rodosovich	Thiede
Elioff	Kahn	Nelson, D.	Rodriguez, C.	Tomlinson
Ellingson	Kalis	Nelson, K.	Rodriguez, F.	Tunheim
Evans	Kelly	Neuenschwander	Rose	Valan
Findlay	Knickerbocker	Norton	St. Onge	Valento
Fjoslien	Knuth	O'Connor	Sarna	Vellenga
Forsythe	Kostohryz	Ogren	Schafer	Voss
Frerichs	Krueger	Olsen	Scheid	Waltman
Graba	Kvam	Omann	Schoenfeld	Welch
Greenfield	Larsen	Onnen	Schreiber	Welker
Gruenes	Levi	Otis	Seaberg	Welle
Gustafson	Long	Pauly	Segal	Wenzel
Halberg	Ludeman	Peterson	Shaver	Wigley
Haukoos	Mann	Piepho	Sherman	Wynia
Heap	Marsh	Piper	Simoneau	Zafke
Heinitz	McDonald	Price	Skoglund	Speaker Sieben
Himle	McEachern	Quinn	Solberg	
Hoffman	McKasy	Quist	Sparby	

Those who voted in the negative were:

Clawson	Erickson	Osthoff	Staten	Vanasek
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The bill was passed and its title agreed to.

H. F. No. 1998, A bill for an act relating to commerce; excluding certain securities and commodities agreements from plain language contract regulation; amending Minnesota Statutes 1983 Supplement, section 325G.30, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Cohen	Heap	Levi	Olsen
Anderson, G.	Coleman	Heinitz	Long	Omann
Anderson, R.	Dempsey	Himle	Ludeman	Onnen
Battaglia	DenOuden	Hoffman	Mann	Osthoff
Beard	Eken	Hokr	Marsh	Otis
Begich	Elioff	Jacobs	McDonald	Pauly
Bennett	Ellingson	Jennings	McEachern	Peterson
Bergstrom	Evans	Jensen	McKasy	Piepho
Bishop	Findlay	Johnson	Metzen	Piper
Blatz	Fjoslien	Kahn	Minne	Price
Boo	Forsythe	Kalis	Munger	Quinn
Brandl	Frerichs	Kelly	Murphy	Quist
Brinkman	Greenfield	Knickerbocker	Nelson, D.	Redalen
Burger	Gruenes	Knuth	Nelson, K.	Reif
Carlson, L.	Gustafson	Kostohryz	Neuenschwander	Riveness
Clark, J.	Gutknecht	Krueger	Norton	Rodosovich
Clark, K.	Halberg	Kvam	O'Connor	Rodriguez, C.
Clawson	Haukoos	Larsen	Ogren	Rodriguez, F.

Rose	Seaberg	Sparby	Uphus	Welker
St. Onge	Segal	Stadum	Valan	Welle
Sarna	Shaver	Sviggum	Valento	Wenzel
Schafer	Sherman	Swanson	Vanasek	Wigley
Scheid	Simoneau	Thiede	Voss	Wynia
Schoenfeld	Skoglund	Tomlinson	Waltman	Zaffke
Schreiber	Solberg	Tunheim	Welch	Speaker Sieben

**Those who voted in the negative were:**

Dimler	Erickson	Graba	Staten
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The bill was passed and its title agreed to.

**H. F. No. 2180, A resolution memorializing the President and Secretary of Transportation of the United States, the National Transportation Safety Board, and the Minnesota Congressional delegation to implement a program for the reflectorization of railroad rolling stock.**

The bill was read for the third 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:**

Anderson, B.	Eken	Knuth	Onnen	Simoneau
Anderson, G.	Elioff	Kostohryz	Osthoff	Skoglund
Anderson, R.	Ellingson	Krueger	Otis	Solberg
Battaglia	Erickson	Kvam	Pauly	Sparby
Beard	Evans	Larsen	Peterson	Stadum
Begich	Findlay	Levi	Piper	Staten
Bennett	Forsythe	Long	Price	Sviggum
Bergstrom	Graba	Mann	Quinn	Swanson
Bishop	Greenfield	Marsh	Quist	Thiede
Blatz	Gruenes	McEachern	Redalen	Tomlinson
Boo	Gustafson	McKasy	Reif	Tunheim
Brandl	Gutknecht	Metzen	Riveness	Valan
Brinkman	Halberg	Minne	Rodosovich	Valento
Burger	Heap	Munger	Rodriguez, F.	Vanasek
Carlson, D.	Heinitz	Murphy	Rose	Vellenga
Carlson, L.	Himle	Nelson, D.	St. Onge	Voss
Clark, J.	Hoffman	Nelson, K.	Sarna	Welch
Clark, K.	Hokr	Neuenschwander	Scheid	Welle
Clawson	Jacobs	Norton	Schoenfeld	Wenzel
Cohen	Jensen	O'Connor	Schreiber	Wynia
Coleman	Kalis	Ogren	Segal	Zaffke
Dempsey	Kelly	Olsen	Shaver	Speaker Sieben
Dimler	Knickerbocker	Omamm	Sherman	

**Those who voted in the negative were:**

Fjoslien	Jennings	Piepho	Uphus	Welker
Frerichs	Johnson	Schafer	Waltman	Wigley
Haukoos	McDonald	Seaberg		

The bill was passed and its title agreed to.

S. F. No. 311, A bill for an act relating to public welfare; requiring licensure for adult day care facilities; amending Minnesota Statutes 1982, sections 245.782, subdivisions 2, 5, and by adding a subdivision; 245.783, by adding a subdivision; 245.791; 245.802, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knickerbocker	Onnen	Sherman
Anderson, G.	Erickson	Knuth	Osthoff	Simoneau
Anderson, R.	Evans	Kostohryz	Otis	Skoglund
Battaglia	Findlay	Krueger	Pauly	Solberg
Beard	Fjoslien	Kvam	Peterson	Sparby
Begich	Forsythe	Larsen	Piepho	Stadum
Bennett	Frerichs	Levi	Piper	Sviggum
Bergstrom	Graba	Long	Price	Swanson
Bishop	Greenfield	Ludeman	Quinn	Thiede
Blatz	Gruenes	Mann	Quist	Tunheim
Boo	Gustafson	Marsh	Redalen	Uphus
Brandl	Gutknecht	McDonald	Reif	Valan
Brinkman	Halberg	McEachern	Riveness	Valento
Burger	Haukoos	McKasy	Rodosovich	Vanasek
Carlson, D.	Heap	Metzen	Rodriguez, C.	Vellenga
Carlson, L.	Heinitz	Minne	Rodriguez, F.	Voss
Clark, J.	Himle	Munger	Rose	Waltman
Clark, K.	Hoffman	Murphy	St. Onge	Welch
Clawson	Hokr	Nelson, D.	Sarna	Welker
Cohen	Jacobs	Nelson, K.	Schafer	Welle
Coleman	Jennings	Neuenschwander	Scheid	Wenzel
Dempsey	Jensen	Norton	Schoenfeld	Wigley
DenOuden	Johnson	O'Connor	Schreiber	Wynia
Dimler	Kahn	Ogren	Seaberg	Zaffke
Eken	Kalis	Olsen	Segal	Speaker Sieben
Elioff	Kelly	Omann	Shaver	

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 950, A bill for an act relating to state government; governing compensation of members of boards, councils, and committees who are public employees; providing for per diem compensation for attendance of commissioners of the Northwest Minnesota Multi-County Housing and Redevelopment Authority at meetings; amending Minnesota Statutes 1982, sections 15.059, subdivision 3; and 214.09, subdivision 3; 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 125 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knuth	Osthoff	Simoncau
Anderson, G.	Evans	Kostohryz	Otis	Skoglund
Anderson, R.	Findlay	Krueger	Pauly	Solberg
Battaglia	Fjoslien	Kvam	Peterson	Sparby
Beard	Forsythe	Larsen	Piepho	Stadum
Begich	Frerichs	Levi	Piper	Staten
Bennett	Graba	Long	Price	Sviggum
Bergstrom	Greenfield	Ludeman	Quinn	Swanson
Bishop	Gruenes	Mann	Quist	Thiede
Blatz	Gustafson	Marsh	Redalen	Tomlinson
Boo	Gutknecht	McDonald	Reif	Tunheim
Brandl	Halberg	McKasy	Riveness	Uphus
Brinkman	Haukoos	Metzen	Rodosovich	Valan
Burger	Heap	Minne	Rodriguez, C.	Valento
Carlson, D.	Heimitz	Munger	Rodriguez, F.	Vanasek
Carlson, L.	Himle	Murphy	Rose	Vellenga
Clark, J.	Hoffman	Nelson, D.	St. Onge	Voss
Clark, K.	Hokr	Nelson, K.	Sarna	Waltman
Clawson	Jacobs	Neuenschwander	Schafer	Welch
Cohen	Jennings	Norton	Scheid	Welle
Coleman	Jensen	O'Connor	Schoenfeld	Wenzel
DenOuden	Johnson	Ogren	Schreiber	Wigley
Eken	Kalis	Olsen	Segal	Wynia
Elioff	Kelly	Omman	Shaver	Zaffke
Ellingson	Knickerbocker	Onnen	Sherman	Speaker Sieben

Those who voted in the negative were:

Dempsey	Dimler	McEachern	Seaberg	Welker
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The bill was passed and its title agreed to.

H. F. No. 1347, A bill for an act relating to crimes; prohibiting the concealing, obtaining, or retaining of a child in violation of the parental, custodial, or visitation rights of another; imposing penalties; providing for notification in custody or visitation orders of the child abduction laws; requiring violations of the child abduction law to be reported under the child abuse reporting law; amending Minnesota Statutes 1982, section 609.26; proposing new law coded in Minnesota Statutes, chapter 518.

The bill was read for the third 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:

Anderson, B.	Beard	Bishop	Brinkman	Clark, J.
Anderson, G.	Begich	Blatz	Burger	Clark, K.
Anderson, R.	Bennett	Boo	Carlson, D.	Clawson
Battaglia	Bergstrom	Brandl	Carlson, L.	Cohen



Coleman	Himle	McEachern	Quist	Swiggum
Dempsey	Hoffman	McKasy	Redalen	Swanson
DenOuden	Hokr	Metzen	Reif	Thiede
Dimler	Jacobs	Minne	Riveness	Tomlinson
Eken	Jennings	Munger	Rodosovich	Tunheim
Elioff	Jensen	Murphy	Rodriguez, C.	Uphus
Ellingson	Johnson	Nelson, D.	Rodriguez, F.	Valento
Erickson	Kahn	Nelson, K.	Rose	Vanasek
Evans	Kalis	Neuenschwander	St. Onge	Vellenga
Findlay	Kelly	Norton	Sarna	Voss
Fjoslien	Knickerbocker	O'Connor	Scheid	Waltman
Forsythe	Knuth	Ogren	Schoenfeld	Welch
Frerichs	Kostohryz	Olsen	Schreiber	Welker
Graba	Krueger	Omann	Seaberg	Welle
Greenfield	Kvam	Onnen	Segal	Wenzel
Gruenes	Larsen	Osthoff	Shaver	Wigley
Gustafson	Levi	Otis	Sherman	Wynia
Gutknecht	Long	Pauly	Simoneau	Zaffke
Halberg	Ludeman	Peterson	Skoglund	Speaker Sieben
Haukoos	Mann	Piepho	Solberg	
Heap	Marsh	Piper	Sparby	
Heinitz	McDonald	Quinn	Staten	

The bill was passed and its title agreed to.

H. F. No. 1503, A bill for an act relating to local government; providing for the duties and bonds of city clerks; amending Minnesota Statutes 1982, sections 412.151; and 418.25, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dimler	Jennings	Murphy	Rodriguez, C.
Anderson, G.	Eken	Jensen	Nelson, D.	Rodriguez, F.
Anderson, R.	Elioff	Johnson	Nelson, K.	Rose
Battaglia	Ellingson	Kahn	Neuenschwander	St. Onge
Beard	Erickson	Kalis	Norton	Sarna
Begich	Evans	Kelly	O'Connor	Schafer
Bennett	Findlay	Knickerbocker	Ogren	Scheid
Bergstrom	Fjoslien	Knuth	Olsen	Schoenfeld
Bishop	Forsythe	Kostohryz	Omann	Schreiber
Blatz	Frerichs	Krueger	Onnen	Seaberg
Boo	Graba	Kvam	Osthoff	Segal
Brandl	Greenfield	Larsen	Otis	Shaver
Brinkman	Gruenes	Levi	Pauly	Sherman
Burger	Gustafson	Long	Peterson	Simoneau
Carlson, D.	Gutknecht	Ludeman	Piepho	Skoglund
Carlson, L.	Halberg	Mann	Piper	Solberg
Clark, J.	Haukoos	Marsh	Price	Sparby
Clark, K.	Heap	McDonald	Quinn	Stadum
Clawson	Heinitz	McEachern	Quist	Staten
Cohen	Himle	McKasy	Redalen	Swiggum
Coleman	Hoffman	Metzen	Reif	Swanson
Dempsey	Hokr	Minne	Riveness	Thiede
DenOuden	Jacobs	Munger	Rodosovich	Tomlinson

Tunheim	Vanasek	Waltman	Welle	Wynia
Uphus	Vellenga	Welch	Wenzel	Zaffke
Valan	Voss	Welker	Wigley	Speaker Sieben
Valento				

The bill was passed and its title agreed to.

H. F. No. 1459, A bill for an act relating to taxation; providing for the imposition of an aggregate material tax in Sibley County; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kelly	Omann	Sherman
Anderson, G.	Erickson	Knickerbocker	Onnen	Simoneau
Anderson, R.	Evans	Knuth	Otis	Skoglund
Battaglia	Findlay	Kostohryz	Pauly	Solberg
Beard	Fjoslien	Krueger	Peterson	Sparby
Begich	Forsythe	Kvam	Piepho	Staten
Bennett	Frerichs	Larsen	Piper	Sviggum
Bergstrom	Graba	Levi	Price	Swanson
Bishop	Greenfield	Long	Quinn	Thiede
Blatz	Gruenes	Ludeman	Quist	Tomlinson
Boo	Gustafson	Mann	Redalen	Tunheim
Brandl	Gutknecht	Marsh	Reif	Uphus
Brinkman	Halberg	McDonald	Riveness	Valento
Burger	Haukoos	McKasy	Rodosovich	Vanasek
Carlson, D.	Heap	Metzen	Rodriguez, C.	Vellenga
Carlson, L.	Heinitz	Minne	Rodriguez, F.	Voss
Clark, J.	Himle	Munger	Rose	Waltman
Clark, K.	Hoffman	Murphy	St. Onge	Welch
Clawson	Hokr	Nelson, D.	Schafer	Welker
Cohen	Jacobs	Nelson, K.	Scheid	Welle
Coleman	Jennings	Neuenschwander	Schoenfeld	Wenzel
Dempsey	Jensen	Norton	Schreiber	Wigley
DenOuden	Johnson	O'Connor	Seaberg	Wynia
Eken	Kahn	Ogren	Segal	Zaffke
Elioff	Kalis	Olsen	Shaver	Speaker Sieben

Those who voted in the negative were:

Dimler	Osthoff
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The bill was passed and its title agreed to.

S. F. No. 1476, A bill for an act relating to elections; making the requirements for school election absentee ballots the same as those for the general election; amending Minnesota Statutes 1982, section 123.32, subdivision 24.

The bill was read for the third 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:

Anderson, B.	Ellingson	Knickerbocker	Onnen	Simoneau
Anderson, G.	Erickson	Knuth	Osthoff	Skoglund
Anderson, R.	Evans	Kostohryz	Otis	Solberg
Battaglia	Findlay	Krueger	Pauly	Sparby
Beard	Fjoslien	Kvam	Peterson	Stadium
Begich	Forsythe	Larsen	Piper	Staten
Bennett	Frerichs	Levi	Price	Swiggum
Bergstrom	Graba	Long	Quinn	Swanson
Bishop	Greenfield	Ludeman	Quist	Thiede
Blatz	Gruenes	Mann	Redalen	Tomlinson
Boo	Gustafson	Marsh	Reif	Tunheim
Brandl	Gutknecht	McDonald	Riveness	Uphus
Brinkman	Halberg	McEachern	Rodosovich	Valan
Burger	Haukoos	McKasy	Rodriguez, C.	Valento
Carlson, D.	Heap	Metzen	Rodriguez, F.	Vanasek
Carlson, L.	Heinitz	Minne	Rose	Vellenga
Clark, J.	Himle	Munger	St. Onge	Voss
Clark, K.	Hoffman	Murphy	Sarna	Waltman
Clawson	Hokr	Nelson, D.	Schafer	Weich
Cohen	Jacobs	Nelson, K.	Scheid	Welker
Coleman	Jennings	Neuenschwander	Schoenfeld	Welle
Dempsey	Jensen	Norton	Schreiber	Wenzel
DenOuden	Johnson	O'Connor	Seaberg	Wigley
Dimler	Kahn	Ogren	Segal	Wynia
Eken	Kalis	Olsen	Shaver	Zaffke
Elioff	Kelly	Omann	Sherman	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1528 was reported to the House.

There being no objection H.F. No. 1528 was continued on the Calendar for one day.

### GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole with Wynia in the Chair for the consideration of bills pending on General Orders of the Day. Sieben presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. No. 735 which it recommended to pass with the following amendments:

Offered by Schoenfeld:

Page 1, line 17, delete "*in an unreasonable length of time,*"

Page 1, line 18, delete the first "*or*"

Page 2, delete lines 5 to 12 and renumber the remaining clauses accordingly

Page 2, line 18, before "*making*" insert "*intentionally*"

Page 2, line 23, before "*failing*" insert "*intentionally*"

Page 2, line 27, before "*failing*" insert "*intentionally*"

Page 2, line 32, before "*misleading*" insert "*intentionally*"

Page 2, after line 33, insert:

*"This subdivision does not apply to health insurance unless the policy also insures against any risk other than a health risk."*

Page 2, line 35, after the period insert "[DAMAGES RECOVERABLE.]"

Page 3, delete line 3, and insert "*the greater of \$10,000 or three times the amount recovered on the underlying claim*"

Page 3, line 4, delete "*coverage*"

Page 3, line 7, before "*An*" insert "[SEPARATE TRIAL.]"

Page 3, line 7, delete "*sections 72A.17 to 72A.32*" and insert "*this section*"

Page 3, delete lines 10 to 12 and insert:

*"Subd. 3. [NOTICE.] No action shall be maintained under this section unless the insured or claimant provides written notice to the commissioner and each defendant at least 30 days before the action is commenced. The notice must state the following regarding the alleged violation:*

*(1) the specific facts giving rise to the claim under this section;*

(2) *the name and address of any involved insurance company; and.*

(3) *if known, the name of any involved agent, adjuster or employee of an involved insurance company.*

*Subd. 4. [DEFENSE.] It is a defense to an action under this section that the claim is paid within 30 days of receipt of the notice required by subdivision 3.*

*Subd. 5. [SCOPE.] This section does not apply to the following:*

(1) *health insurance, unless the policy also insures against any risk other than a health risk;*

(2) *a township mutual or farmers mutual fire insurance company organized under chapter 67A;*

(3) *a policy of life or casualty insurance upon the cooperative or assessment plan qualifying under sections 61A.39 to 61A.52; or*

(4) *an agent or agency licensed under section 60A.17, unless the agent has authority to investigate and evaluate claims and to negotiate claims settlements."*

Amend the title as follows:

Page 1, line 6, delete "; repealing Minnesota" and insert a period

Page 1, delete line 7

Offered by Quinn:

Page 2, after line 19 of the Schoenfeld amendment insert

*"(3) a fraternal beneficiary association organized under chapter 64A;"*

Renumber the remaining clauses accordingly.

Offered by Burger:

Page 1, line 13, delete *"includes, but is not limited to"* insert *"means, and is limited to"*

Offered by Skoglund; Simoneau; Clark, J.; Brandl and Swanson:

Page 1, line 12 of the Schoenfeld amendment, after "insurance" insert "or health maintenance organizations"

Page 2, line 22 of the Schoenfeld amendment, delete "or"

Page 2, line 25 of the Schoenfeld amendment, delete the period and insert "; or"

Page 2, after line 25 of the Schoenfeld amendment, insert "(6) health maintenance organizations."

On the motion of Eken the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

The question was taken on the Forsythe motion to re-refer H. F. No. 735, the first engrossment, to the Committee on Financial Institutions and Insurance and the roll was called. There were 51 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Hokr	Onnen	Swanson
Anderson, R.	Findlay	Jennings	Pauly	Thiede
Bennett	Fjoslien	Johnson	Piepho	Uphus
Blatz	Forsythe	Knickerbocker	Redalen	Valento
Boo	Frerichs	Kvam	Reif	Waltman
Brinkman	Gruenes	Levi	Rose	Welker
Carlson, D.	Gutknecht	Ludeman	Schafer	Wigley
Cohen	Haukoos	Marsh	Schreiber	
DenOuden	Heap	McDonald	Sherman	
Dimler	Heinitz	McKasy	Stadum	
Erickson	Himle	Olsen	Sviggum	

Those who voted in the negative were:

Anderson, G.	Ellingson	Mann	Piper	Skoglund
Battaglia	Graba	McEachern	Price	Solberg
Beard	Greenfield	Metzen	Quinn	Staten
Begieh	Gustafson	Minne	Quist	Tomlinson
Bergstrom	Halberg	Murphy	Riveness	Tunheim
Brandl	Hoffman	Nelson, D.	Rodosovich	Valan
Burger	Jacobs	Nelson, K.	Rodriguez, C.	Vanasck
Carlson, L.	Jensen	Neuenschwander	Rodriguez, F.	Vellenga
Clark, J.	Kahn	Norton	St. Onge	Voss
Clark, K.	Kalis	O'Connor	Sarna	Welch
Clawson	Kelly	Ogren	Scheid	Welle
Coleman	Knuth	Omann	Schoenfeld	Wenzel
Dempsey	Krueger	Osthoff	Seaberg	Wynia
Eken	Larsen	Otis	Segal	Zaffke
Elioff	Long	Peterson	Simoneau	Speaker Sieben

The motion did not prevail.

Schoenfeld moved to amend H. F. No. 735, the first engrossment, as follows:

Page 1, line 17, delete "*in an unreasonable length of time,*"

Page 1, line 18, delete the first "*or*"

Page 2, delete lines 5 to 12 and renumber the remaining clauses accordingly

Page 2, line 18, before "*making*" insert "*intentionally*"

Page 2, line 23, before "*failing*" insert "*intentionally*"

Page 2, line 27, before "*failing*" insert "*intentionally*"

Page 2, line 32, before "*misleading*" insert "*intentionally*"

Page 2, after line 33, insert:

*"This subdivision does not apply to health insurance unless the policy also insures against any risk other than a health risk."*

Page 2, line 35, after the period insert "[DAMAGES RECOVERABLE.]"

Page 3, delete line 3, and insert "*the greater of \$10,000 or three times the amount recovered on the underlying claim*"

Page 3, line 4, delete "*coverage*"

Page 3, line 7, before "*An*" insert "[SEPARATE TRIAL.]"

Page 3, line 7, delete "*sections 72A.17 to 72A.32*" and insert "*this section*"

Page 3, delete lines 10 to 12 and insert:

*"Subd. 3. [NOTICE.] No action shall be maintained under this section unless the insured or claimant provides written notice to the commissioner and each defendant at least 30 days before the action is commenced. The notice must state the following regarding the alleged violation:*

*(1) the specific facts giving rise to the claim under this section;*

*(2) the name and address of any involved insurance company; and*

(3) if known, the name of any involved agent, adjuster or employee of an involved insurance company.

Subd. 4. [DEFENSE.] It is a defense to an action under this section that the claim is paid within 30 days of receipt of the notice required by subdivision 3.

Subd. 5. [SCOPE.] This section does not apply to the following:

(1) health insurance, unless the policy also insures against any risk other than a health risk;

(2) a township mutual or farmers mutual fire insurance company organized under chapter 67A;

(3) a policy of life or casualty insurance upon the cooperative or assessment plan qualifying under sections 61A.39 to 61A.52; or

(4) an agent or agency licensed under section 60A.17, unless the agent has authority to investigate and evaluate claims and to negotiate claims settlements."

Amend the title as follows:

Page 1, line 6, delete "; repealing Minnesota" and insert a period

Page 1, delete line 7

Dempsey moved to amend the Schoenfeld amendment to H. F. No. 735, the first engrossment, as follows:

Page 1, delete lines 11, 12, 13 and 14

Page 2, delete lines 16 and 17

The question was taken on the amendment to the amendment and the roll was called. There were 50 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Evans	Hokr	Piepho	Sviggum
Bennett	Fjoslien	Johnson	Quist	Swanson
Bishop	Frerichs	Kalis	Reif	Thiede
Blatz	Gruenes	Kvam	Schafer	Valan
Boo	Gutknecht	Levi	Schreiber	Valento
Burger	Halberg	Ludeman	Seaberg	Waltman
Dempsey	Haukoos	McDonald	Shaver	Welker
DenOuden	Heap	Omann	Sherman	Wenzel
Dimler	Heinitz	Onnen	Skoglund	Wigley
Erickson	Himle	Pauly	Stadum	Zaffke



Those who voted in the negative were:

Anderson, B.	Ellingson	Mann	Otis	Simoncau
Battaglia	Forsythe	Marsh	Peterson	Solberg
Beard	Graba	McEachern	Piper	Sparby
Begich	Greenfield	McKasy	Quinn	Staten
Bergstrom	Gustafson	Metzen	Redalen	Tomlinson
Brandl	Hoffman	Minne	Riveness	Tunheim
Brinkman	Jensen	Murphy	Rodosovich	Vanasek
Carlson, L.	Kahn	Nelson, D.	Rodriguez, C.	Voss
Clark, J.	Kelly	Neuenschwander	Rodriguez, F.	Welch
Clawson	Knickerbocker	Norton	St. Onge	Welle
Cohen	Knuth	O'Connor	Sarna	Wynia
Coleman	Krueger	Ogren	Scheid	
Eken	Larsen	Olsen	Schoenfeld	
Elioff	Long	Osthoff	Segal	

The motion did not prevail and the amendment to the amendment was not adopted.

Bishop requested a division of the Schoenfeld amendment to H. F. No. 735, the first engrossment.

The first portion of the Schoenfeld amendment to H. F. No. 735, the first engrossment, reads as follows:

Page 1, line 17, delete "*in an unreasonable length of time,*"

Page 1, line 18, delete the first "*or*"

Page 2, delete lines 5 to 12 and renumber the remaining clauses accordingly

Page 2, line 18, before "*making*" insert "*intentionally*"

Page 2, line 23, before "*failing*" insert "*intentionally*"

Page 2, line 27, before "*failing*" insert "*intentionally*"

Page 2, line 32, before "*misleading*" insert "*intentionally*"

The question was taken on the first portion of the Schoenfeld amendment and the roll was called. There were 116 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Blatz	Clark, K.	Elioff	Gustafson
Anderson, G.	Boo	Clawson	Ellingson	Halberg
Battaglia	Brandl	Cohen	Evans	Haukoos
Beard	Brinkman	Coleman	Findlay	Himle
Begich	Burger	Dempsey	Fjoslien	Hoffman
Bennett	Carlson, D.	DenOuden	Graba	Jacobs
Bergstrom	Carlson, L.	Dimler	Greenfield	Jensen
Bishop	Clark, J.	Eken	Gruenes	Johnson

Kahn	Metzen	Peterson	Schoenfeld	Valan
Kalis	Minne	Piepho	Schreiber	Vanasek
Kelly	Munger	Piper	Seaberg	Vellenga
Knickerbocker	Murphy	Quinn	Sherman	Voss
Knuth	Nelson, D.	Quist	Simoneau	Waltman
Kostohryz	Nelson, K.	Redalen	Skoglund	Welch
Krueger	Neuenschwander	Reif	Solberg	Welker
Kvam	Norton	Riveness	Sparby	Welle
Larsen	O'Connor	Rodosovich	Stadum	Wenzel
Long	Ogren	Rodriguez, C.	Staten	Wynia
Ludeman	Olsen	Rodriguez, F.	Sviggum	Zaffke
Mann	Omunn	Rose	Swanson	Speaker Sieben
Marsh	Onnen	St. Onge	Thiede	
McDonald	Osthoff	Sarna	Tomlinson	
McEachern	Otis	Schafer	Tunheim	
McKasy	Pauly	Scheid	Uphus	

Those who voted in the negative were:

Heap

The motion prevailed and the first portion of the Schoenfeld amendment was adopted.

The second portion of the Schoenfeld amendment to H. F. No. 735, the first engrossment, as amended, reads as follows:

Page 2, after line 33, insert:

*"This subdivision does not apply to health insurance unless the policy also insures against any risk other than a health risk."*

Page 2, line 35, after the period insert "[DAMAGES RECOVERABLE.]"

Page 3, delete line 3, and insert *"the greater of \$10,000 or three times the amount recovered on the underlying claim"*

Page 3, line 4, delete *"coverage"*

Page 3, line 7, before *"An"* insert "[SEPARATE TRIAL.]"

Page 3, line 7, delete *"sections 72A.17 to 72A.32"* and insert *"this section"*

Page 3, delete lines 10 to 12 and insert:

*"Subd. 3. [NOTICE.] No action shall be maintained under this section unless the insured or claimant provides written notice to the commissioner and each defendant at least 30 days before the action is commenced. The notice must state the following regarding the alleged violation:*

(1) *the specific facts giving rise to the claim under this section;*

(2) *the name and address of any involved insurance company; and*

(3) *if known, the name of any involved agent, adjuster or employee of an involved insurance company.*

*Subd. 4. [DEFENSE.] It is a defense to an action under this section that the claim is paid within 30 days of receipt of the notice required by subdivision 3.*

*Subd. 5. [SCOPE.] This section does not apply to the following:*

(1) *health insurance, unless the policy also insures against any risk other than a health risk;*

(2) *a township mutual or farmers mutual fire insurance company organized under chapter 67A;*

(3) *a policy of life or casualty insurance upon the cooperative or assessment plan qualifying under sections 61A.39 to 61A.52; or*

(4) *an agent or agency licensed under section 60A.17, unless the agent has authority to investigate and evaluate claims and to negotiate claims settlements."*

Amend the title as follows:

Page 1, line 6, delete "; repealing Minnesota" and insert a period

Page 1, delete line 7

The question was taken on the second portion of the Schoenfeld amendment and the roll was called. There were 98 yeas and 26 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, L.	Halberg	Marsh	Omann
Anderson, G.	Clark, K.	Hoffman	McEachern	Omn
Battaglia	Clawson	Jacobs	McKasy	Osthoff
Beard	Cohen	Jensen	Metzen	Otis
Begich	Coleman	Johnson	Minne	Peterson
Bennett	Dempsey	Kahn	Munger	Piepho
Bergstrom	Eken	Kalis	Murphy	Piper
Bishop	Elioff	Kelly	Nelson, D.	Quinn
Blatz	Ellingson	Knuth	Nelson, K.	Quist
Boo	Findlay	Kostohryz	Neuenschwander	Redalen
Brandl	Craba	Larsen	Norton	Reif
Brinkman	Greenfield	Levi	O'Connor	Riveness
Burger	Gruencs	Long	Ogren	Rodosovich
Carlson, D.	Gustafson	Mann	Olsen	Rodriguez, C.

Rodriguez, F.	Seaberg	Sparby	Valan	Welle
Rose	Shaver	Staten	Vanasek	Wenzel
St. Onge	Sherman	Sviggum	Vellenga	Wynia
Sarna	Simoneau	Swanson	Voss	Speaker Sieben
Scheid	Skoglund	Tomlinson	Waltman	
Schoenfeld	Solberg	Tunheim	Welch	

Those who voted in the negative were :

Clark, J.	Haukoos	Knickerbocker	Pauly	Uphus
DenOuden	Heap	Krueger	Schafer	Valento
Dimler	Heinitz	Kvam	Schreiber	Welker
Evans	Himle	Ludeman	Stadum	Wigley
Forsythe	Jennings	McDonald	Thiede	Zaffke
Frerichs				

The motion prevailed and the second portion of the Schoenfeld amendment was adopted.

Sviggum moved to amend H. F. No. 735, the first engrossment, as amended, as follows :

Page 2, after line 25 of the Schoenfeld amendment insert: "(6) *small Minnesota based Mutual Insurance companies*"

The question was taken on the Sviggum amendment and the roll was called. There were 51 yeas and 71 nays as follows :

Those who voted in the affirmative were :

Bennett	Forsythe	Kalis	Picpho	Uphus
Bishop	Frerichs	Knickerbocker	Redalen	Valento
Blatz	Gruenes	Levi	Reif	Waltman
Boo	Gutknecht	Ludeman	Rose	Welker
Carlson, D.	Haukoos	Marsh	Schafer	Wenzel
Dempsey	Heap	McDonald	Seaberg	Wigley
DenOuden	Heinitz	McKasy	Shaver	Zaffke
Erickson	Himle	Olsen	Sherman	
Evans	Hokr	Omann	Stadum	
Findlay	Jennings	Onnen	Sviggum	
Fjoslien	Johnson	Pauly	Thiede	

Those who voted in the negative were :

Battaglia	Graba	Metzen	Quinn	Swanson
Beard	Greenfield	Minne	Quist	Tomlinson
Begich	Gustafson	Munger	Riveness	Tunheim
Bergstrom	Halberg	Murphy	Rodosovich	Valan
Brandl	Jacobs	Nelson, D.	Rodriguez, C.	Vanasek
Brinkman	Jensen	Nelson, K.	Rodriguez, F.	Vellenga
Burger	Kahn	Neuenschwander	St. Onge	Voss
Carlson, L.	Kelly	Norton	Sarna	Welch
Clark, J.	Knuth	O'Connor	Scheid	Welle
Clark, K.	Kostohryz	Ogren	Schoenfeld	Wynia
Clawson	Krueger	Osthoff	Simoneau	Speaker Sieben
Coleman	Larsen	Otis	Skoglund	
Dimler	Long	Peterson	Solberg	
Eken	Mann	Piper	Sparby	
Elioff	McEachern	Price	Staten	

The motion did not prevail and the amendment was not adopted.

Burger moved to amend H. F. No. 735, the first engrossment, as amended, as follows:

Page 3, after line 9, insert: "*Subd. 3. If any insured or claimant or any attorney representing such insured or claimant engages in an unfair or deceptive activity in asserting a claim against an insurance company, that company shall have a civil action or counter claim against the insured or claimant and the attorney for 3 times the provable costs of such unfair or deceptive activity.*"

The question was taken on the Burger amendment and the roll was called. There were 54 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Bennett	Erickson	Hokr	Pauly	Sviggum
Bishop	Evans	Jennings	Piepho	Thiede
Boo	Findlay	Johnson	Redalen	Uphus
Brinkman	Fjoslien	Knickerbocker	Reif	Valan
Burger	Forsythe	Kvam	Rose	Valento
Carlson, D.	Frerichs	Levi	Schafer	Waltman
Clawson	Gutknecht	Ludeman	Schreiber	Welker
Cohen	Haukoos	Marsh	Seaberg	Wenzel
Dempsey	Heap	McDonald	Shaver	Wigley
DenOuden	Heinitz	Omann	Sherman	Zafke
Dimler	Himle	Onnen	Stadum	

Those who voted in the negative were:

Anderson, G.	Greenfield	McEachern	Price	Sparby
Battaglia	Gruenes	Metzen	Quinn	Staten
Beard	Gustafson	Minne	Quist	Swanson
Begich	Halberg	Munger	Riveness	Tomlinson
Bergstrom	Hoffman	Murphy	Rodosovich	Tunheim
Blatz	Jacobs	Nelson, D.	Rodriguez, C.	Vanasek
Brandl	Jensen	Nelson, K.	Rodriguez, F.	Vellenga
Carlson, L.	Kahn	Neuenschwander	St. Onge	Voss
Clark, J.	Kelly	Norton	Sarna	Welch
Clark, K.	Knuth	O'Connor	Scheid	Welle
Coleman	Kostohryz	Ogren	Schoenfeld	Wynia
Eken	Krueger	Osthoff	Segal	Speaker Sieben
Elioff	Larsen	Otis	Simoneau	
Ellingson	Long	Peterson	Skoglund	
Graba	Mann	Piper	Solberg	

The motion did not prevail and the amendment was not adopted.

Sviggum moved to amend H. F. No. 735, the first engrossment, as amended, as follows:

Page 2, after line 25, insert: "*(7) domestically based Mutual Insurance Companies that do more than 50% of their business in Minnesota.*"

The question was taken on the Sviggum amendment and the roll was called. There were 61 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kalis	Piepho	Uphus
Anderson, R.	Findlay	Knickerbocker	Quist	Valan
Bennett	Fjoslien	Krueger	Redalen	Valento
Bishop	Forsythe	Kvam	Reif	Waltman
Blatz	Frerichs	Ludeman	Rose	Welker
Boo	Gruenes	Marsh	Schafer	Welle
Brinkman	Gutknecht	McDonald	Schoenfeld	Wenzel
Burger	Haukoos	McKasy	Schreiber	Wigley
Carlson, D.	Heap	Neuenschwander	Seaberg	Zaffke
Dempsey	Heinitz	Olsen	Shaver	
DenOuden	Himle	Omann	Stadum	
Dimler	Hokr	Onnen	Sviggum	
Erickson	Johnson	Pauly	Thiede	

Those who voted in the negative were:

Battaglia	Graba	Mann	Price	Staten
Beard	Greenfield	Metzen	Quinn	Swanson
Begich	Gustafson	Minne	Riveness	Tomlinson
Bergstrom	Halberg	Munger	Rodosovich	Tunheim
Brandl	Hoffman	Murphy	Rodriguez, C.	Vanasek
Carlson, L.	Jacobs	Nelson, D.	Rodriguez, F.	Vellenga
Clark, J.	Jensen	Nelson, K.	St. Onge	Voss
Clark, K.	Kahn	Norton	Sarna	Welch
Clawson	Kelly	O'Connor	Scheid	Wynia
Coleman	Knuth	Ogren	Simoneau	Speaker Sieben
Eken	Kostohryz	Osthoff	Skoglund	
Elioff	Larsen	Otis	Solberg	
Ellingson	Long	Peterson	Sparby	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 735, the first engrossment, as amended, and the roll was called. There were 71 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Ellingson	McEachern	Price	Staten
Battaglia	Graba	Metzen	Quinn	Swanson
Beard	Greenfield	Minne	Quist	Tomlinson
Begich	Gustafson	Munger	Riveness	Tunheim
Bergstrom	Halberg	Murphy	Rodosovich	Vanasek
Bishop	Hoffman	Nelson, D.	Rodriguez, C.	Vellenga
Brandl	Jacobs	Nelson, K.	Rodriguez, F.	Voss
Carlson, L.	Jensen	Neuenschwander	St. Onge	Welch
Clark, J.	Kahn	Norton	Sarna	Wenzel
Clark, K.	Kelly	O'Connor	Scheid	Wynia
Clawson	Knuth	Ogren	Schoenfeld	Speaker Sieben
Cohen	Kostohryz	Osthoff	Segal	
Coleman	Krueger	Otis	Skoglund	
Eken	Long	Peterson	Solberg	
Elioff	Mann	Piper	Sparby	

Those who voted in the negative were:

Anderson, B.	Findlay	Johnson	Pauly	Thiede
Anderson, R.	Fjoslien	Kalis	Piepho	Uphus
Blatz	Forsythe	Knickerbocker	Redalen	Valan
Boo	Frerichs	Kvam	Rose	Valento
Brinkman	Gruenes	Levi	Schafer	Waltman
Burger	Gutknecht	Ludeman	Schreiber	Welker
Carlson, D.	Haukoos	Marsh	Seaberg	Welle
Dempsey	Heap	McDonald	Shaver	Wigley
DenOuden	Heinitz	McKasy	Sherman	Zaffke
Dimler	Himle	Olsen	Simoneau	
Erickson	Hokr	Omman	Stadum	
Evans	Jennings	Onnen	Sviggunn	

The motion prevailed.

### MOTIONS AND RESOLUTIONS

Kostohryz moved that H. F. No. 1857 be recalled from the Committee on General Legislation and Veterans Affairs and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Cohen moved that the name of Cohen be stricken and the name of Anderson, G., be added as chief author on H. F. No. 1851. The motion prevailed.

Wenzel moved that his name be stricken as an author on H. F. No. 1976. The motion prevailed.

Scheid moved that the name of Osthoff be added as an author on H. F. No. 2186. The motion prevailed.

Clawson moved that the names of Welch, Swanson and Rose be added as authors on H. F. No. 2245. The motion prevailed.

Simoneau moved that the name of Neuenschwander be added as an author on H. F. No. 2275. The motion prevailed.

Simoneau moved that the names of Piper and Neuenschwander be added as authors on H. F. No. 2285. The motion prevailed.

Redalen moved that the names of Jacobs, Metzen, Blatz and Brinkman be added as authors on H. F. No. 1680. The motion prevailed.

Onnen moved that H. F. No. 51 be returned to its author. The motion prevailed.

Ogren moved that H. F. No. 1810 be returned to its author. The motion prevailed.

Olsen moved that H. F. No. 1836 be returned to its author. The motion prevailed.

Olsen moved that H. F. No. 2027 be returned to its author. The motion prevailed.

Wenzel moved that H. F. No. 2118 be returned to its author. The motion prevailed.

Zaffke moved that H. F. No. 2159 be returned to its author. The motion prevailed.

Staten introduced:

House Concurrent Resolution No. 9, A house concurrent resolution requiring the establishment of an affirmative action plan for the legislature; creating a staff position of Director of Legislative Equal Employment Opportunity; providing for immediate action to be taken in furtherance of equal employment opportunity.

The resolution was referred to the Committee on Rules and Legislative Administration.

Staten introduced:

House Concurrent Resolution No. 10, A house concurrent resolution proclaiming September as voter registration month.

The resolution was referred to the Committee on Rules and Legislative Administration.

Krueger moved that H. F. No. 1237 be recalled from the Committee on Taxes and be re-referred to the Committee on Appropriations. The motion prevailed.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, April 4, 1984. 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., Wednesday, April 4, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives





## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SEVENTY-FIRST DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 4, 1984

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 Harold S. Reitz, North Heights Lutheran Church, Roseville, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Ellingson	Knuth	Osthoff	Sherman
Anderson, G.	Erickson	Kostohryz	Otis	Simoneau
Anderson, R.	Evans	Krueger	Pauly	Skoglund
Battaglia	Findlay	Kvam	Peterson	Solberg
Bead	Fjoslien	Larsen	Piepho	Sparby
Begich	Forsythe	Levi	Piper	Staten
Bennett	Frerichs	Long	Price	Sviggum
Bergstrom	Graba	Ludeman	Quinn	Swanson
Bishop	Greenfield	Mann	Quist	Tomlinson
Blatz	Gruenes	Marsh	Redalen	Tunheim
Boo	Gustafson	McDonald	Reif	Uphus
Brandl	Gutknecht	McEachern	Rice	Valan
Brinkman	Halberg	McKasy	Riveness	Valento
Burger	Haukoos	Metzen	Rodosovich	Vanasek
Carlson, D.	Heap	Minne	Rodriguez, C.	Vellenga
Carlson, L.	Heinitz	Munger	Rodriguez, F.	Voss
Clark, J.	Hoffman	Murphy	Rose	Waltman
Clark, K.	Hokr	Nelson, D.	St. Onge	Welch
Clawson	Jacobs	Nelson, K.	Sarna	Welker
Cohen	Jennings	Neuenschwander	Schafer	Welle
Coleman	Jensen	Norton	Scheid	Wenzel
Dempsey	Johnson	O'Connor	Schoenfeld	Wigley
DenOuden	Kahn	Ogren	Schreiber	Wynia
Dimler	Kahis	Olsen	Seaberg	Zaffke
Eken	Kelly	Omann	Segal	Speaker Sieben
Elioff	Knickerbocker	Onnen	Shea	

A quorum was present.

Himle, Hoberg and Thiede were excused.

Stadum was excused until 2:35 p.m. Shaver was excused until 3:15 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Vanasek moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1371, 1401, 1502, 1753, 1778, 1813, 1819, 1822, 1860, 1872, 1903, 1961, 1985, 2085, 2093, 2124, 2141, 2150, 2196, 207, 322, 427, 1338, 1352, 1422, 1423, 1619, 1656, 1679, 1709, 1749, 1771, 1815, 1844, 1881, 1909, 1975, 1987, 2038, 2087, 2160, 2172, 2182, 1765, 1917, 1949, 1672, 735, 1991, 600, 1767, 1814 and 2023 and S. F. No. 1563 have been placed in the members' files.

#### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Graba and Krueger introduced:

H. F. No. 2289, A resolution memorializing the President and Congress of the United States to adopt on an emergency basis a public policy of preserving the family farm as an invaluable natural resource.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Knuth introduced:

H. F. No. 2290, A resolution memorializing the Administrator of General Services of the United States of the development of a permanent operation plan for the distribution of federal surplus property.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Norton, Wynia, Gutknecht, Krueger and Ogren introduced:

H. F. No. 2291, A bill for an act relating to the open meeting law; providing revisions; proposing new law coded as Minnesota Statutes, chapter 469; repealing Minnesota Statutes 1982, section 471.705, as amended.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Schreiber introduced:

H. F. No. 2292, A bill for an act relating to taxation; property; changing the state school agricultural credit, homestead credits, and property classification ratios; abolishing class 3cc; amending Minnesota Statutes 1982, sections 273.13, subdivisions 2, 5a, 7b, 7c, 8a, 17d, and 19; and 273.42, subdivision 2; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; and 273.13, subdivisions 4, 6, 6a, 7, 7d, 9, 14a, 16, 17, 17b, 17c, 20, and 21; 273.135, subdivision 1; and 273.1391, subdivision 1; repealing Minnesota Statutes 1983 Supplement, sections 273.1311; and 273.1315.

The bill was read for the first time and referred to the Committee on Taxes.

Nelson, D.; Skoglund; Redalen; Sparby and Onnen introduced:

H. F. No. 2293, A bill for an act relating to alcoholic beverages; restricting hours of sale on statewide election days; amending Minnesota Statutes 1983 Supplement, sections 340.034, subdivision 1; and 340.14, subdivision 1.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Rodriguez, F., introduced:

H. F. No. 2294, A bill for an act relating to public employees; permitting certain compensation arrangements for certain local government employees; amending Minnesota Statutes 1982, section 471.615.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Nelson, K.; Staten; Osthoff and Norton introduced:

H. F. No. 2295, A bill for an act relating to education; appropriating money to the University of Minnesota for the Institute of Technology minority program.

The bill was read for the first time and referred to the Committee on Appropriations.

Graba; Anderson, R., and Kahn introduced:

H. F. No. 2296, A resolution memorializing the United States Veterans Administration to allow greater flexibility in the use of federal funds for veterans care facilities and programs.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Gustafson, Ogren, O'Connor, Munger and St. Onge introduced:

H. F. No. 2297, A bill for an act relating to commerce; prohibiting unfair, predatory, and discriminatory pricing practices by persons engaged in the refining, distribution, or sale of motor fuel; defining terms; providing remedies; 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.

Kahn introduced:

H. F. No. 2298, A bill for an act relating to marriage dissolution; allowing for a division of marital assets upon commencement of a legal separation or temporary order; amending Minnesota Statutes 1982, section 518.58.

The bill was read for the first time and referred to the Committee on Judiciary.

Norton introduced:

H. F. No. 2299, A bill for an act relating to natural resources; eliminating duplicative appraisal reviews in land acquisition procedures; amending Minnesota Statutes 1982, section 84.0272; repealing Minnesota Statutes 1982, section 84.0271.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dempsey introduced:

H. F. No. 2300, A bill for an act relating to arbitration; authorizing parties to submit dissolution of marriage or legal separation matters to arbitration; proposing new law coded in Minnesota Statutes, chapter 518.

The bill was read for the first time and referred to the Committee on Judiciary.

Osthoff introduced :

H. F. No. 2301, A bill for an act relating to veterans; requiring veterans organizations to file reports to the commissioner of veterans affairs; proposing new law coded in Minnesota Statutes, chapter 197.

The bill was read for the first time and referred to the Committee on General Legislation and Veterans Affairs.

Norton introduced :

H. F. No. 2302, A bill for an act relating to state land; modifying certain procedures relating to sale of surplus state land; amending Minnesota Statutes 1982, section 94.10, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Norton introduced :

H. F. No. 2303, A bill for an act relating to state monuments; adding the Roy Wilkins State Monument to the list of state monuments; appropriating money; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wenzel introduced :

H. F. No. 2304, A bill for an act relating to taxation; income; conforming to federal law for treatment of contributions to individual retirement plans and other pension plans; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

The bill was read for the first time and referred to the Committee on Taxes.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker :

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in

which amendment the concurrence of the House is respectfully requested:

H. F. No. 1516, A bill for an act relating to local government; authorizing the levy of special assessments or service charges for fire protection systems; amending Minnesota Statutes 1982, sections 429.011, by adding a subdivision; 429.021, subdivision 1; 429.031, subdivision 3; 429.091, subdivisions 2 and 3; and 429.101, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Otis moved that the House refuse to concur in the Senate amendments to H. F. No. 1516, 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.

Onnen was excused between the hours of 2:10 p.m. and 3:20 p.m.

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:

Resolved that the Rules of the House of Representatives for the 73rd Legislature be amended as follows:

(1) Rule 1.10 is amended to read:

**"1.10 TAX AND APPROPRIATION BILLS GIVEN PRECEDENCE. (AT ANY TIME AFTER APRIL 11, 1983,) Any bill relating to taxes or raising revenue shall be acted upon whenever requested by the Chairman of the Committee on Taxes, and any appropriation bill shall be acted upon whenever requested by the Chairman of the Committee on Appropriations."**

(2) Rule 1.16 is amended to read:

**"1.16 TIME LIMIT FOR CONSIDERATION OF BILLS. If 20 legislative days after a bill has been referred to committee (other than a bill in Appropriations) no report has been made upon it by the committee, its chief author may request that it be returned to the House and the request shall be entered in the Journal for the day. The committee shall have ten calendar days thereafter in which to vote upon the bill requested. If the committee fails to vote upon it within the ten days, the chief author**

may, at any time within five calendar days thereafter, present a written demand to the Speaker for its immediate return to the House. The demand shall be entered in the Journal for that day and shall constitute the demand of the House. The bill shall then be considered to be in the possession of the House, given its second reading and placed at the foot of General Orders.

Such bill is subject to re-reference by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or within one legislative day thereafter, the motion shall take precedence over all other motions except privileged motions and shall be in order at any time.

After (MAY 13, 1983) *Monday, April 16, 1984*, the House shall not act on bills other than those recommended by conference committee reports or the Committee on Rules and Legislative Administration, and those bills contained in messages from the Senate or from the Governor."

(3) Rule 3.4 is amended to read:

"3.4 MOTION FOR RECONSIDERATION. When a question has been decided either in the affirmative or negative, it shall be in order for any member who voted with the prevailing side to move its reconsideration, provided that such motion is made either on the same day the vote was taken or within the following two days of actual session of the House. A motion for reconsideration can be made at any time in the Order of Business and shall take precedence over all other questions except the motion to adjourn and the notice of intention to move reconsideration. Such motion or notice shall not be in order if the document, bill, resolution, message, report or other official action on which the vote was taken shall have left the possession of the House.

When a member gives notice of intention to move reconsideration of the final action of the House on any bill, resolution, message, report or other official action, the Chief Clerk shall retain the same until after the matter is disposed of or the time has expired during which the motion for reconsideration can be made.

On the last day allowed for the motion to reconsider, it shall be in order for any member who voted on the prevailing side to make the motion, unless the matter has been already disposed of.

A motion for reconsideration having been voted upon and lost shall not be renewed.

In (1983) *1984* notice of intention to move reconsideration shall not be in order after *Monday, (APRIL 25) April 9.*"



(4) Rule 6.11 is amended to read:

**"6.11 CONFERENCE COMMITTEES.** A conference committee may report at any time. No committee except a conference committee or the Committee on Rules and Legislative Administration shall sit during any daily session of the House without leave.

A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House or Senate.

In (1983) 1984 except after (MAY 16) *Saturday, April 14*, a written copy of a report of a conference committee shall be placed on the desk of each member of the House twelve hours before action on the report by the House. If the report has been reprinted in the Journal of the House for a preceding day and is available to the members, the Journal copy shall serve as the written report."

(5) Rule 9.3 is amended to read:

**"9.3 DEADLINES.** In (1983) 1984, committee reports on bills favorably acted upon by a committee in the house of origin after Friday, (APRIL 8) *March 30* and committee reports on bills originating in the other house favorably acted upon by a committee after Monday, (APRIL 25) *April 9* shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. Referral is not required when a committee after (APRIL 8) *Friday, March 30* and by (APRIL 25) *Monday, April 9* acts on a bill that is a companion to a bill that has then been acted upon by (APRIL 8) *Friday, March 30* in the Senate. This rule does not apply in the House Committees on Appropriations and on Taxes."

The motion prevailed and the Permanent Rules of the House for the Seventy-Third Session, as amended, were adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

House Resolution No. 16, A house resolution commemorating the servicemen from Minnesota serving in the United States Marine Corps who served in Lebanon and died there as peace-keepers.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

Valan moved that House Resolution No. 16 be now adopted.

HOUSE RESOLUTION NO. 16

A house resolution commemorating the servicemen from Minnesota serving in the United States Marine Corps who served in Lebanon and died there as peacekeepers.

*Whereas*, the history of Lebanon is that of centuries of warfare and group hatred; and

*Whereas*, recent history has included the mass slaughter of thousands of defenseless people; and

*Whereas*, negotiations between some of the parties involved in Lebanon resulted in a fragile temporary agreement to end the bloodshed and stabilize the country and that gave the hope of a durable peace between all the parties in Lebanon; and

*Whereas*, to implement the agreement, troops of four countries, including a contingent of United States Marines, were sent to Lebanon; and

*Whereas*, the Marines were there not to seize territory but to protect others' territory, not to cause enslavement but to ensure freedom, not to cause terror but to end terror, and not to make war but to bring peace; and

*Whereas*, on October 23, 1983, 28 Marines from Minnesota were serving in Lebanon when a bomb-laden truck crashed into and exploded in a building used as a barracks and resulted in the death of 241 Marines including four from Minnesota; and

*Whereas*, the motives of persons who would kill those involved in this selfless mission is beyond the comprehension of all Minnesotans; and

*Whereas*, it is necessary for all Minnesotans to express their grief at the loss of their sons and to morally support the families of the men who died; *Now, Therefore*,

*Be it resolved* by the House of Representatives of the State of Minnesota that it commends to all Minnesotans the selfless service of all the Minnesotans who served in Lebanon but in particular:

Lance Corporal Kevin Paul Custard of Virginia

Lance Corporal Thomas Lamb of Coon Rapids

Lance Corporal John Olson of Sabin

Lance Corporal John Tishmack of Minneapolis

who died there in the service of their country and in the cause of humanity.

*Be it further resolved* that it earnestly hopes that the grief of the families of those who died might be lightened by the knowledge that they died in the cause of peace and that their grief is shared by all Minnesotans.

*Be it further resolved* that the Chief Clerk of the House of Representatives is directed to prepare enrolled copies of this resolution, to be authenticated by his signature and that of the Speaker, and that it be presented to the families of the Minnesota Marines that died in Lebanon.

The motion prevailed and House Resolution No. 16 was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

House Resolution No. 22, A house resolution congratulating Cy Carpenter on his election as President of the National Farmers Union.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

Wenzel moved that House Resolution No. 22 be now adopted.

#### HOUSE RESOLUTION NO. 22

A house resolution congratulating Cy Carpenter on his election as President of the National Farmers Union.

*Whereas*, agriculture is Minnesota's principle industry; and

*Whereas*, agriculture needs effective spokesmen to convey its interests to the government and the public; and

*Whereas*, the National Farmers Union is composed of over 250,000 farm families and is an effective representative of agricultural needs on the local, state, and national levels; and

*Whereas, Cy Carpenter of Minnesota was recently elected President of the National Farmers Union; and*

*Whereas, Cy Carpenter has been President of the Minnesota Farmers Union since 1972, and is a widely respected spokesman for agriculture; and*

*Whereas, it is apparent that the National Farmers Union has chosen its president well; Now, Therefore,*

*Be it resolved by the House of Representatives of the State of Minnesota that it congratulates Cy Carpenter for being elected President of the National Farmers Union and the National Farmers Union for electing Cy Carpenter as president.*

*Be it further resolved that the Chief Clerk of the House is directed to enroll this resolution, to be authenticated by his signature and that of the Speaker, and present it to Cy Carpenter.*

The motion prevailed and House Resolution No. 22 was adopted.

There being no objection the order of business reverted to Reports of Standing Committees.

## REPORTS OF STANDING COMMITTEES

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 29, A bill for an act relating to the legislature; reducing the number of members of the senate and house of representatives; amending Minnesota Statutes 1982, section 2.021.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 2.021, is amended to read:

2.021 [NUMBER OF MEMBERS.]

For each legislature, until a new apportionment shall have been made, the senate is composed of (67) 56 members and the house of representatives is composed of (134) 112 members.

Sec. 2. Minnesota Statutes 1983 Supplement, section 2.031, subdivision 1, is amended to read:

Subdivision 1. [LEGISLATIVE DISTRICTS.] The representatives in the senate and house of representatives are apportioned throughout the state in (67) 56 senate districts and (134) 112 house districts. Each senate district is entitled to elect one senator and each house district is entitled to elect one representative.

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective January 1, 1993."*

Amend the title as follows:

Page 1, line 4, delete "1982, section 2.021" and insert "1983 Supplement, sections 2.021 and 2.031, subdivision 1"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 229, A bill for an act relating to health; allowing any interested person to seek enforcement of certain patient rights; amending Minnesota Statutes 1982, section 144.651.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 144.651, subdivision 1, is amended to read:

Subdivision 1. [LEGISLATIVE INTENT.] It is the intent of the legislature and the purpose of this section to promote the interests and well being of the patients and residents of health care facilities. No health care facility may require a patient or resident to waive these rights as a condition of admission to the facility. (ANY GUARDIAN OR CONSERVATOR OF A PATIENT OR RESIDENT OR, IN THE ABSENCE OF A GUARDIAN OR CONSERVATOR, AN) *Every patient and resident may seek enforcement of these rights. In addition, a family member, guardian, conservator, nursing home ombudsman, health facility staff person, or other interested person (,) may seek enforcement of these rights on behalf of a patient or resident. Pending the outcome of the enforcement proceeding the health care facility may in good faith comply with the instructions of a guardian or conservator. An interested person is someone who demonstrates a sincere and continuing interest in the welfare of the individual patient or resident. If the patient or*

*resident has a guardian or conservator of the person, any other person named in this subdivision may seek enforcement of the patient's rights only in situations involving a violation of subdivision 14, imminent danger of physical harm, or where the guardian or conservator does not object to the other person's action. It is the intent of this section that every patient's civil and religious liberties, including the right to independent personal decisions and knowledge of available choices, shall not be infringed and that the facility shall encourage and assist in the fullest possible exercise of these rights."*

Amend the title as follows:

Page 1, line 4, delete "1982" and insert "1983 Supplement"

Page 1, line 4, before the period insert ", subdivision 1"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 756, A bill for an act relating to notaries public; changing the term of office; increasing the required bond amount; amending Minnesota Statutes 1982, section 359.02.

Reported the same back with the following amendments:

Page 2, line 1, delete "1983" and insert "1984"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 899, A bill for an act relating to courts; permitting the establishment of compulsory nonbinding arbitration programs for use in certain civil proceedings in Hennepin County; proposing new law coded in Minnesota Statutes, chapter 484.

Reported the same back with the following amendments:

Page 1, line 11, delete "the fourth" and insert "a"

Page 1, after line 20, insert:

*"Subd. 2. [EXCLUSIONS.] Judicial arbitration may not be used to dispose of controversies within the jurisdiction of the family court division, matters relating to guardianship, conservatorship, or civil commitment, matters within the juvenile court jurisdiction involving neglect, dependency, or delinquency, matters involving termination of parental rights under sections 260.221 to 260.245, or matters arising under section 626.557 or sections 144.651 to 144.652."*

Page 1, line 23, delete *"of the county of Hennepin"*

Renumber the subdivisions in sequence

Amend the title as follows:

Page 1, line 4, delete *"in Hennepin County"*

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 994, A bill for an act relating to mediation; providing for mediation of disputes; amending Minnesota Statutes 1982, section 595.02; proposing new law coded in Minnesota Statutes, chapter 572.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"Section 1. [572.31] [MINNESOTA CIVIL MEDIATION ACT, CITATION.]**

*Sections 1 to 10 may be cited as the "Minnesota Civil Mediation Act."*

**Sec. 2. [572.32] [PURPOSE.]**

*The legislature finds that:*

*(1) cost and delays of resolving disputes through litigation are a matter of social concern and are adversely affecting the attitude of our citizens toward our system of justice;*

(2) *it is in the interest of improved human relations to promote use of dispute resolution processes where parties in conflict are engaged in a problem solving process rather than an adversarial process, except in situations where there has been violence against persons;*

(3) *it is important to allow parties in dispute an opportunity to have meaningful participation in resolving the dispute and to exercise responsibility and control over the resolution of their dispute; and*

(4) *utilization of mediation to resolve disputes can contribute to alleviation of these problems and promote these interests.*

*It is the purpose of sections 1 to 10 to remove barriers and promote use of mediation to resolve disputes.*

### Sec. 3. [572.33] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] When used in sections 1 to 10 the terms defined in this section have the meanings given them.*

*Subd. 2. [MEDIATOR.] "Mediator" means a third party with no formal coercive power whose function is to promote and facilitate a voluntary settlement of a controversy identified in an agreement to mediate.*

*Subd. 3. [AGREEMENT TO MEDIATE.] "Agreement to mediate" means a written agreement which identifies a controversy between the parties to the agreement, states that the parties will seek to resolve the controversy through mediation, provides for termination of mediation upon written notice by either party or the mediator, is signed by the parties and mediator, and is dated.*

*Subd. 4. [MEDIATED SETTLEMENT AGREEMENT.] "Mediated settlement agreement" means a written agreement setting out the terms of a partial or complete settlement of a controversy identified in an agreement to mediate, signed by the parties, and dated.*

### Sec. 4. [572.34] [EFFECT OF MEDIATED SETTLEMENT AGREEMENT; CONFIRMATION.]

*The effect of a mediated settlement agreement shall be determined under principles of law applicable to a contract. However, a mediated settlement agreement is not binding unless it contains a provision to the contrary and the parties were advised in writing that (a) the mediator has no duty to protect their interests or provide them with information about their legal*



*rights; (b) signing a mediated settlement agreement may affect their legal rights; and (c) they should consider consulting with a lawyer before signing a mediated settlement agreement.*

**Sec. 5. [572.35] [SETTING ASIDE A MEDIATED SETTLEMENT AGREEMENT.]**

*Upon application of a party, the court shall set aside a mediated settlement agreement if appropriate under the principles of law applicable to setting aside a contract, or if there was evident partiality, corruption, or misconduct by a mediator prejudicing the rights of a party. The fact that the relief was such that it could not or would not be granted by a court of law or equity is not a ground for setting aside the mediated settlement agreement unless it violates public policy.*

**Sec. 6. [572.36] [NOT A LIMITATION OF EFFECT.]**

*Sections 4 and 5 of this act are in addition to and not in limitation of the effect of any settlement agreement resulting from a mediation process.*

**Sec. 7. [572.37] [STATUS OF MEDIATOR.]**

*A mediator shall be immune from civil liability for his or her actions within the scope of his or her position as mediator unless there is proof of fraud by the mediator. A mediator has no duty to advise a party concerning law or to encourage or assist a party in preserving or establishing legal rights. This section is in addition to and not in limitation of immunity otherwise accorded to a mediator under law.*

**Sec. 8. [572.38] [STATUTES OF LIMITATION.]**

*The running of the limitation of time within which an action may be brought is suspended from the date of the agreement to mediate until termination of the mediation.*

**Sec. 9. [572.39] [SCOPE.]**

*Sections 1 to 8 do not apply to proceedings relating to the determination of criminal liability or proceedings brought under sections 518.002 to 518.66, 518A.01 to 518A.25, and 518B.01, or any matter relating to guardianship, conservatorship, or civil commitment.*

**Sec. 10. [572.40] [SEVERABILITY.]**

*If any provision of sections 1 to 10 or the application of a provision to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of the*

*sections which can be given without the invalid provision or application, and to this end the provisions of sections 1 to 10 are severable.*

Sec. 11. Minnesota Statutes 1982, 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 rep-

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 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. 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 supervisor in a crisis center, whose primary purpose is to render advice, counseling or assistance to victims of sexual assault.

(11) *No one can be examined as to any communication or document, including worknotes, made or used in the course of or because of mediation pursuant to an agreement to mediate. This restriction does not apply to the parties to the dispute in an application to a court by a party to have a mediated settlement agreement set aside or reformed. A communication or document otherwise not privileged does not become privileged because used in the course of mediation. "Mediated settlement agreement" shall have the meaning set out in section 3. This paragraph is in addition to and not in limitation of the privilege accorded to communication during mediation by the common law."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1293, A bill for an act relating to landlords and tenants; requiring landlords of residential rental units to notify

tenants of their rights and duties under state law; providing a penalty; proposing new law coded in Minnesota Statutes, chapter 504.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 504.22, subdivision 1, is amended to read:

Subdivision 1. As used in this section,

(a) “tenant” shall have the meaning assigned to it in section 566.18, *but for purposes of section 2 does not include residents of manufactured home parks as defined in section 327C.01, subdivision 9*; and

(b) “owner” shall mean one or more persons, jointly or severally, in whom is vested a legal or beneficial interest in the premises.

Sec. 2. Minnesota Statutes 1982, section 504.22, is amended by adding a subdivision to read:

*Subd. 2a. The attorney general shall prepare and make available to the public at cost, in a form and size suitable for posting and distributing pursuant to this section, a statement which describes the significant legal rights and obligations of owners and tenants of rental dwelling units. The statement shall include but not be limited to describing the significant provisions of chapters 504 and 566. The statement shall notify tenants in public housing to consult their leases for additional rights and obligations they may have under federal law. The statement shall include the telephone number and address of the attorney general for further information.*

*The attorney general shall annually revise the statement provided in this section as necessary to ensure that it continues accurately to describe the statutory and case law governing the rights and duties of owners and tenants of rental dwelling units. After preparing the statement for the first time and after each annual revision of the statement, the attorney general shall hold a public meeting to discuss the statement and receive comments on its contents before it is issued. When preparing the statement and evaluating public comment, the attorney general shall be guided by the legislature's intent that the statement be as accurate and complete in identifying significant legal rights and obligations, as is possible in a document which is written using words with common, everyday meanings and which is brief enough to be posted and distributed pursuant to this section.*

Sec. 3. Minnesota Statutes 1982, section 504.22, is amended by adding a subdivision to read:

*Subd. 2b. An owner who does not distribute the statement required by section 2 shall be liable to each tenant who does not receive the statement for a penalty of \$10 and shall be liable for an additional penalty of \$100 if he fails to post the statement as provided by section 4.*

Sec. 4. Minnesota Statutes 1982, section 504.22, subdivision 3, is amended to read:

*Subd. 3. A printed or typewritten notice containing the information which must be disclosed under subdivision 2 shall be placed in a conspicuous place on the premises. The owner shall also place a notice in a conspicuous place on the premises which states that a copy of the statement required by section 2 is available from the owner or manager to any tenant upon request and is not liable under section 3 if the notice is removed by another individual after being posted. This subdivision is complied with if notices posted in compliance with other statutes or ordinances contain the information required by subdivision 2 and this section. In addition, an owner shall distribute one copy of the statement required by section 2 to each tenant within 30 days after the statement becomes available from the attorney general. Thereafter, the owner shall distribute one copy of the statement to each tenant at the time an oral or written lease is entered into."*

Amend the title as follows:

Page 1, delete lines 5 and 6 and insert "amending Minnesota Statutes 1982, section 504.22, subdivisions 1 and 3, and by adding subdivisions."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1206, A bill for an act relating to judges; providing for the election of incumbent judges by submitting to the voters whether they should succeed themselves; amending Minnesota Statutes 1982, sections 204B.06, subdivision 6, and by adding a subdivision; 204B.34, subdivision 3; 204B.36, subdivisions 4 and 5; 204D.08, subdivision 6; proposing new law coded in Minnesota Statutes, chapter 204C.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 204E.34, subdivision 3, is amended to read:

Subd. 3. [JUDICIAL ELECTIONS.] When one or more justices of the supreme court or judges of the court of appeals or of a district, county or county municipal court are to be nominated at the same primary or elected at the same general election, *the notice of election shall be prepared as follows. If only an incumbent has filed an affidavit of candidacy, the notice shall state the name of the justice or judge whose name will be before the voters for retention in office. If the incumbent has not filed an affidavit of candidacy, or if the incumbent and any other individual have filed affidavits of candidacy, the notice of election shall state the name of each justice or judge whose successor is to be nominated or elected.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 204B.36, subdivision 4, is amended to read:

Subd. 4. [CONTESTED JUDICIAL (CANDIDATES) OFFICES.] The official ballot shall contain the names of all candidates for each judicial office *where more than one candidate is seeking the office* and shall state the number of those candidates for whom a voter may vote. The title of each judicial office shall be printed on the official primary and general election ballot as follows:

(a) In the case of the supreme court:

"For the office of associate (or chief) justice of the supreme court to which (name of justice) ..... was elected for the regular term" or "to which (name of justice) ..... was appointed";

(b) In the case of the court of appeals:

"For the office of judge of the court of appeals to which ..... (name of judge) was elected for the regular term" or "to which ..... (name of judge) was appointed";

(c) In the case of the district court:

"For the office of judge of the district court of the (number) ..... judicial district to which (name of judge) ..... was elected for the regular term" or "to which (name of judge) ..... was appointed"; or

(d) In the case of the county court:

“For the office of judge of the county court of the county (or counties) of ..... to which (name of judge) ..... was elected for the regular term” or “to which (name of judge) ..... was appointed.”

For voting machine ballots on which the statements required by this subdivision cannot be printed because of length, the title of each judicial office shall be printed as follows:

“Successor to (name) ....., elected (or appointed).”

Sec. 3. Minnesota Statutes 1982, section 204B.36, subdivision 5, is amended to read:

Subd. 5. [(DESIGNATION OF) *BALLOT FOR UNOPPOSED INCUMBENT* (; JUDICIAL OFFICES) *JUDGES*.] If a chief justice, associate justice, or judge is a candidate to succeed himself or herself without opposition, (THE WORD “INCUMBENT” SHALL BE PRINTED AFTER HIS NAME AS A CANDIDATE) *his or her name only shall be submitted to the voters in the area he or she serves on a ballot which reads:*

“Shall Judge (Justice) .... (name of judge or justice) .... of the .... (name of court) .... be returned to office?”

Yes .....

No .....

Sec. 4. [204C.401] [CERTIFICATION IN UNOPPOSED JUDICIAL ELECTIONS.]

*In the case of an election for a judicial office in which an incumbent is a candidate to succeed himself or herself without opposition, the incumbent shall receive a certificate of election if less than a majority of the voters voting on the office votes not to return him or her to office. If the incumbent is not returned to office the county auditor or secretary of state, as appropriate, shall certify to the governor that the incumbent will not succeed himself or herself and that upon the expiration of his or her term, a vacancy shall exist in the office.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 204D.08, subdivision 6, is amended to read:

Subd. 6. [STATE AND COUNTY NONPARTISAN PRIMARY BALLOT.] The state and county nonpartisan primary ballot shall be headed “State and County Nonpartisan Primary Ballot.” It shall be printed on canary paper. The names of candidates for nomination to (THE) supreme court, court of appeals, district, county and county municipal (COURTS) *court judicial*



*offices where more than one candidate is seeking the office, the names of unopposed incumbent judges seeking to succeed themselves and all county offices shall be placed on this ballot.*

No candidate whose name is placed on the state and county nonpartisan primary ballot shall be designated or identified as the candidate of any political party or in any other manner except as expressly provided by law.

Sec. 6. [EFFECTIVE DATE.]

*Sections 1 to 5 are effective for the election of judges at the general election in 1984 and subsequent years."*

Delete the title and insert:

"A bill for an act relating to judges; providing for the election of unopposed incumbent judges by submitting to the voters whether they should succeed themselves; amending Minnesota Statutes 1982, section 204B.36, subdivision 5; Minnesota Statutes 1983 Supplement, sections 204B.34, subdivision 3; 204B.36, subdivision 4; and 204D.08, subdivision 6; proposing new law coded in Minnesota Statutes, chapter 204C."

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. 1292, A bill for an act relating to environment; requiring a permit for test drilling of geologic structures for disposal of high level radioactive waste and notification of results; regulating transportation of high level radioactive waste through the state; providing penalties; proposing new law coded in Minnesota Statutes, chapter 116C.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [116C.705] [FINDINGS.]

*The legislature finds that the disposal and transportation of high level radioactive waste is of vital concern to the health, safety, and welfare of the people of Minnesota, and to the economic and environmental resources of Minnesota. To ensure the health, safety, and welfare of the people, and to protect the air, land, water, and other natural resources in the state from pollu-*

*tion, impairment, or destruction, it is necessary for the state to regulate and control, under the laws of the United States, the exploration for high level radioactive waste disposal within the state of Minnesota. It is the intent of the legislature to exercise all legal authority for the purpose of regulating the disposal and transportation of high level radioactive waste.*

Sec. 2. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:

*Subd. 10. [AREA CHARACTERIZATION PLAN.] "Area characterization plan" means the official plan prepared by the department of energy for a specific geographic area outlining the proposed laboratory or field activities to be undertaken to establish the geologic, environmental, social, and economic characteristics of the area.*

Sec. 3. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:

*Subd. 11. [AREA RECOMMENDATION REPORT.] "Area recommendation report" means the official report prepared by the department of energy identifying specific geographic areas within a state for further evaluation as a repository for radioactive waste.*

Sec. 4. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:

*Subd. 12. [BOARD.] "Board" means the Minnesota environmental quality board.*

Sec. 5. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:

*Subd. 13. [CHAIRMAN.] "Chairman" means chairman of the board.*

Sec. 6. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:

*Subd. 14. [CONSULTATION AND COOPERATION AGREEMENT.] "Consultation and cooperation agreement" means the formal agreement, as defined in the Nuclear Waste Policy Act, United States Code, title 42, section 10137(c), between a state and the federal government setting forth procedures for information exchanges, state consultation, and other matters related to repository siting and construction.*

Sec. 7. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:

*Subd. 15. [DEPARTMENT OF ENERGY.] "Department of energy" means the United States department of energy.*

Sec. 8. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:

*Subd. 16. [DISPOSE, DISPOSAL.] "Dispose" or "disposal" means the permanent or temporary placement of high level radioactive waste at a site within the state other than a point of generation.*

Sec. 9. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:

*Subd. 17. [HIGH LEVEL RADIOACTIVE WASTE.] "High level radioactive waste" means:*

- (1) irradiated reactor fuel;*
- (2) liquid wastes resulting from reprocessing irradiated reactor fuel;*
- (3) solids into which the liquid wastes have been converted;*
- (4) transuranic wastes, meaning any radioactive waste containing alpha emitting transuranic elements that is not acceptable for near-surface disposal as defined in the Code of Federal Regulations, title 10, section 61.55;*
- (5) any other highly radioactive materials that the nuclear regulatory commission or department of energy determines by law to require permanent isolation; or*
- (6) any byproduct material as defined in section 11e (2) of the Atomic Energy Act of 1954, United States Code, title 42, section 2014, as amended.*

Sec. 10. Minnesota Statutes 1982, section 116C.71, is amended by adding a subdivision to read:

*Subd. 18. [POTENTIALLY IMPACTED AREA.] "Potentially impacted area" means the area designated or described in a draft or final area recommendation report or area characterization plan for study or consideration.*

Sec. 11. [116C.721] [PUBLIC PARTICIPATION.]

*Subdivision 1. [INFORMATION MEETINGS.] The board shall conduct public information meetings within an area designated in a draft area recommendation report, final area recommendation report, draft area characterization plan, or final*

*area characterization plan. Information meetings shall be held within 30 days after the board receives each of the reports.*

*Subd. 2. [NOTICE.] The board shall notify the public of information meetings and the availability of the area recommendation reports and the area characterization plans. Copies of the reports shall be made available for public review and distribution at the board office, the Minnesota geological survey office, regional development commission offices in regions that include a part of the potentially impacted areas, county courthouses in counties that include a part of a potentially impacted area, and other appropriate places determined by the board to provide public accessibility.*

*Subd. 3. [TRANSMITTAL OF PUBLIC CONCERNS.] The board shall transmit public concerns expressed at public information meetings to the department of energy.*

**Sec. 12 [116C.722] [LEGAL AND TECHNICAL ASSISTANCE TO INDIAN TRIBES.]**

*If an Indian tribal council that has jurisdiction over part of a potentially impacted area within the state requests legal or technical assistance, the board shall provide assistance.*

**Sec. 13. [116C.723] [DISPOSAL STUDIES.]**

*Unless the state has executed a consultation and cooperation agreement, a person may not make a study or test of a specific area or site related to disposal including an exploratory drilling, a land survey, an aerial mapping, a field mapping, a waste suitability study, or other surface or subsurface geologic, hydrologic, or environmental testing or mapping.*

**Sec. 14 [116C.724] [CONSULTATION AND COOPERATION AGREEMENT.]**

*Subdivision 1. [REQUIREMENT.] Upon notice from the department of energy that Minnesota contains a potentially impacted area, the board shall negotiate a consultation and cooperation agreement with the federal government.*

*Subd. 2. [CONDITIONS.] (a) The consultation and cooperation agreement shall include but not be limited to the conditions specified in this subdivision.*

*(b) A permit shall be required for all geologic and hydrologic drilling. Conditions of obtaining and retaining the permit shall require:*

*(1) compliance with state drilling and drill hole restoration regulations as an exploratory boring under chapter 156A;*

(2) proof that access to the test site has been obtained by a negotiated agreement or other legal process;

(3) the permittee to pay a fee covering the costs of processing and monitoring drilling activities;

(4) unrestricted access by the commissioner of health, the commissioner of natural resources, the director of the pollution control agency, the director of the Minnesota geological survey, the county health officer, and their employees and agents to the drilling sites to inspect and monitor the drill holes, drilling operations, and abandoned sites, and to sample air and water that may be affected by drilling;

(5) submission of splits or portions of a core sample, requested by the commissioner of natural resources or director of the Minnesota geological survey, except that the commissioner or director may accept certified data on the sample in lieu of a sample if certain samples are required in their entirety by the permittee; and

(6) that a sample submitted may become property of the state.

(c) A person who conducts geologic, hydrologic, or geophysical testing or studies shall provide unrestricted access to both raw and interpretive data to the chairman and the director of the Minnesota geological survey or their designated representatives. The raw and interpretive data includes core samples, well logs, water samples and chemical analyses, survey charts and graphs, and predecisional reports. Studies and data shall be made available within 90 days of a formal request by the chairman.

(d) A person proposing to investigate shall hold at least one public meeting before a required permit is issued, and during the investigation at least once every six months, within the potentially impacted area. The meetings shall provide the public with current information on progress of the investigation. The person investigating shall respond in writing to the board about concerns and issues raised at the public meetings.

(e) Before a person engages in negotiations regarding property interests in land or water, or permitting activities, the person shall notify the chairman in writing. Copies of terms and agreements shall also be provided to the chairman.

#### Sec. 15. [116C.731] [TRANSPORTATION OF HIGH LEVEL RADIOACTIVE WASTE.]

Subdivision 1. [NOTIFICATION.] Before a shipment of high level radioactive waste is transported in the state, the ship-

*per shall notify the commissioner of public safety. The notice shall include the route, date, and time of the shipment in addition to information required under Code of Federal Regulations, title 10, sections 71.5a and 73.37(f).*

*Subd. 2. [HIGHWAY ROUTE DETERMINATION.] Pursuant to Code of Federal Regulations, title 49, part 177, the commissioner may require preferred routes, dates, or times for transporting high level radioactive waste if the commissioner determines, in accordance with United States Department of Transportation "Guidelines for Selecting Preferred Highway Routes for Large Quantity Shipments of Radioactive Materials," that alternatives are safer than those proposed. On an annual basis the commissioner shall review federally approved highway routes for transporting high level radioactive waste in the state and select new state-designated routes in accordance with Code of Federal Regulations, title 49, part 177, if safety considerations indicate the alternate routes would be preferable. The state does not incur any liability by requiring the alternate routes, dates, or times to be used.*

*Subd. 3. [TRANSPORTATION FEE.] A person who intends to transport high level radioactive waste shall submit a transportation fee to the commissioner of public safety in the amount of \$1,000 for each vehicle carrying high level radioactive waste in each shipment with the information required in subdivision 1. The fees shall be deposited by the commissioner into the general fund.*

*Subd. 4. [EMERGENCY RESPONSE PLAN.] The commissioner of public safety shall consult with the commissioners of health and transportation, the director of the pollution control agency, and representatives of the federal nuclear regulatory commission, the federal emergency management agency, and the United States department of transportation and before December 1, 1984, shall prepare a plan for emergency response to a high level radioactive waste transportation accident, including plans for evacuation and cleanup. The commissioner of public safety shall report by January 1 of each year to the legislature on the status of the plan and the ability of the state to respond adequately to an accident.*

*Subd. 5. [APPLICABILITY.] This section does not apply to radioactive materials shipped by or for the United States government for military, national security, or national defense purposes. This section does not require disclosure of defense information or restricted data as defined in the Atomic Energy Act of 1954, United States Code, title 42, section 2014, as amended.*

**Sec. 16.** Minnesota Statutes 1982, section 116C.74, is amended to read:

## 116C.74 [PENALTIES.]

*Subdivision 1. [PENALTIES.] Any person who violates section 116C.72 or who causes radioactive wastes to be shipped in violation of section 116C.73 shall be guilty of a gross misdemeanor and subject to a fine of not more than \$10,000 or a sentence of imprisonment of not more than one year, or both.*

*Subd. 2. [VIOLATIONS; PENALTIES.] (a) A person who violates section 13, 14, or 15 is:*

*(1) guilty of a misdemeanor and is subject to a fine of not more than \$10,000; and*

*(2) subject to a civil penalty of not more than \$10,000 for each day of violation, payable to the state, and may be ordered by the court to pay to the state an additional sum as compensation for cleanup and for pollution, destruction, or impairment of the environment, including but not limited to contamination of water supplies or water aquifers.*

*(b) A violation of section 13, 14, or 15 may be enjoined as provided by law in an action in the name of the state brought by the attorney general.*

*(c) This subdivision does not limit other remedies otherwise available to either the state or private parties for violations of section 13, 14, or 15.*

## Sec. 17. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Delete the title and insert:

*"A bill for an act relating to the environment; requiring an agreement between the state and federal government prior to test drilling of geologic structures for disposal of high level radioactive waste and notification of results; regulating transportation of high level radioactive waste in the state; providing penalties; amending Minnesota Statutes 1982, sections 116C.71, subdivision 1, and by adding subdivisions; and 116C.74; proposing new law coded in Minnesota Statutes, chapter 116C."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1330, A bill for an act relating to drainage; reducing the bond required for appeal of benefits or damages in a drainage assessment proceeding; amending Minnesota Statutes 1982, section 106.631, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 106.631, subdivision 2, is amended to read:

Subd. 2. [PROCEDURE ON APPEAL.] (a) Any person appealing on the first or second ground named, may include and have considered and determined benefits or damages affecting property other than his own. Notice of such appeal shall be served upon the owner or occupant of such other property or upon the attorney who represents such owner in the proceedings. Such notice of appeal shall also be served upon the auditor or clerk.

(b) To render the appeal effectual, the appellant shall file with the auditor or clerk within 30 days after the filing of such final order a notice of appeal which shall state the particular benefits or damages appealed from and the ground upon which the appeal is taken. (THE NOTICE OF APPEAL SHALL BE ACCOMPANIED BY AN APPEAL BOND TO THE COUNTY WHERE THE PROPERTY IS LOCATED OF NOT LESS THAN \$10,000 WITH SUFFICIENT SURETY TO BE APPROVED BY THE AUDITOR OR CLERK, CONDITIONED THAT THE APPELLANT WILL DULY PROSECUTE THE APPEAL AND PAY ALL COSTS AND DISBURSEMENTS WHICH MAY BE ADJUDGED AGAINST HIM AND ABIDE THE ORDER OF THE COURT.) Within 30 days after such filing, the auditor, in case of a county drainage proceeding, shall return and file with the clerk of the district court the original notice (AND APPEAL BOND).

(c) The issues raised by the appeal shall stand for trial by jury and shall be tried and determined at the next term of the district court held within the county in which the proceedings were commenced, or in such other county in which the appeal shall be heard, beginning after the filing of the appeal; and shall take precedence of all other matters of a civil nature in court. If there be more than one appeal triable in one county, the court may, on its own motion or upon the motion of a party in interest, consolidate two or more appeals and try them together, but the rights of the appellants shall be separately determined. If the appellant fails to prevail, the cost of the trial shall be paid by the appellant. In case of appeal as to damages or benefits to



property situated in the county other than the county where the drainage proceedings are pending, and if the appellant so requests, the trial shall be held at the next term of the district court of the county wherein the lands are situated. In such case, the clerk of the district court where the appeal is filed, shall make, certify and file in the office of the clerk of the district court of the county where the trial is to be had, a transcript of the papers and documents on file in his office in the proceedings so far as they pertain to the matters on account of which the appeal is taken. After the final determination of such appeal, the clerk of the district court where the action is tried, shall certify and return the verdict to the district court of the county where the proceedings were instituted.

(d) The clerk of the district court shall file a certified copy of the final determination of any such appeal with the auditor of the county affected.

(e) An appeal on the third ground may be to the district court of any county wherein lands are affected. Such appeal shall be made within 30 days after the order allowing or disallowing the claim and shall be governed as far as applicable by the provisions of this subdivision."

Delete the title and insert:

"A bill for an act relating to drainage; eliminating the bond required for appeal of benefits or damages in a drainage assessment proceeding; amending Minnesota Statutes 1982, section 106.631, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1376, A bill for an act establishing an agricultural resource loan guaranty program, board, and fund, and the terms of guaranties by the state of project loans in the program; appropriating money, taxes, tax increments, and other governmental charges; authorizing the issuance of state bonds; amending Minnesota Statutes 1982, sections 297A.44, subdivision 1; 362A.01, subdivision 1; and 362A.05; proposing new law coded as Minnesota Statutes, chapter 41A; proposing new law coded in Minnesota Statutes, chapter 362A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1386, A bill for an act relating to domestic abuse; authorizing intervention by the juvenile court to protect children from domestic abuse; amending Minnesota Statutes 1982, section 518B.01, subdivisions 3 and 4; and Minnesota Statutes 1983 Supplement, section 518B.01, subdivision 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 260.015, is amended by adding a subdivision to read:

*Subd. 24. [DOMESTIC CHILD ABUSE.] "Domestic child abuse" means:*

*(a) Any physical injury to a minor family or household member inflicted by an adult family or household member other than by accidental means; or*

*(b) Subjection of a minor family or household member by an adult family or household member to any act which constitutes a violation of sections 609.321 to 609.324, 609.342, 609.343, 609.344, 609.345, 609.364 to 609.3644, or 617.246.*

Sec. 2. Minnesota Statutes 1982, section 260.015, is amended by adding a subdivision to read:

*Subd. 25. [FAMILY OR HOUSEHOLD MEMBERS.] "Family or household members" means spouses, former spouses, parents and children, persons related by blood, and persons who are presently residing together or who have resided together in the past, and persons who have a child in common regardless of whether they have been married or have lived together at any time.*

Sec. 3. Minnesota Statutes 1982, section 260.111, is amended by adding a subdivision to read:

*Subd. 2a. [JURISDICTION OVER MATTERS RELATING TO DOMESTIC CHILD ABUSE.] The juvenile court has jurisdiction in proceedings concerning any person who is alleged to have committed acts of domestic child abuse. In a jurisdiction which utilizes referees in dependency and neglect actions, the court or judge may refer actions under this section to a referee to take and report the evidence therein. If the respondent does not appear after service duly made and proved the court may hear and determine the proceeding as a default matter. Proceedings under this subdivision shall be given docket priority by the court.*

Sec. 4. [260.133] [PROCEDURE; DOMESTIC CHILD ABUSE.]

*Subdivision 1. [PETITION.] The local welfare agency may bring an emergency petition on behalf of minor family or household members seeking relief from acts of domestic child abuse. The petition shall allege the existence of or immediate and present danger of domestic child abuse and shall be accompanied by an affidavit made under oath stating the specific facts and circumstances from which relief is sought.*

*Subd. 2. [TEMPORARY ORDER.] If it appears from the notarized petition or sworn affidavit that there are reasonable grounds to believe the child is in immediate and present danger of domestic child abuse, the court may grant an ex parte temporary order for protection, pending a full hearing, and granting relief as the court deems proper, including an order:*

*(1) restraining any party from committing acts of domestic child abuse; or*

*(2) excluding the abusing party from the dwelling which the family or household members share or from the residence of the child.*

*Provided, that no order excluding the abusing party from the dwelling may be issued unless the court finds that:*

*(a) The order is in the best interests of the child or children remaining in the dwelling;*

*(b) A remaining adult family or household member is able to care adequately for the child or children in the absence of the excluded party; and*

*(c) The local welfare agency has developed a plan to provide appropriate social services to the remaining family or household members.*

*An ex parte temporary order for protection shall be effective for a fixed period not to exceed 14 days. Within five days of the issuance of the temporary order the petitioner shall file a dependency and neglect petition with the court pursuant to section 260.131, and the court shall give docket priority to the petition.*

*The court may renew the temporary order for protection one time for a fixed period not to exceed 14 days if a dependency and neglect petition has been filed with the court and if the court determines, upon informal review of the case file, that the renewal is appropriate.*

*Subd. 3. [SERVICE AND EXECUTION OF ORDER.] Any order issued under this section or section 5 shall be served personally upon the respondent. Where necessary, the court shall order the sheriff or constable to assist in service or execution of the order.*

*Subd. 4. [MODIFICATION OF ORDER.] Upon application, notice to all parties, and hearing, the court may modify the terms of an existing order for protection issued under this section or section 5.*

*Subd. 5. [RIGHT TO APPLY FOR RELIEF.] The local welfare agency's right to apply for relief on behalf of a child shall not be affected by the child's leaving the dwelling or household to avoid abuse.*

*Subd. 6. [REAL ESTATE.] Nothing in this section or section 5 shall affect the title to real estate.*

*Subd. 7. [OTHER REMEDIES AVAILABLE.] Any relief ordered under this section or section 5 shall be in addition to other available civil or criminal remedies.*

*Subd. 8. [COPY TO LAW ENFORCEMENT AGENCY.] An order for protection granted pursuant to this section or section 5 shall be forwarded by the clerk of court within 24 hours to the local law enforcement agency with jurisdiction over the residence of the child.*

*Each appropriate law enforcement agency shall make available to other law enforcement officers through a system for verification, information as to the existence and status of any order for protection issued pursuant to this section or section 5.*

Sec. 5. Minnesota Statutes 1982, section 260.191, is amended by adding a subdivision to read:

*Subd. 1a. [DOMESTIC CHILD ABUSE.] If the court finds that the child is a victim of domestic child abuse, as defined in section 1, it may order any of the following dispositions of the case in addition to or as alternatives to the dispositions authorized under subdivision 1:*

*(1) restrain any party from committing acts of domestic child abuse;*

*(2) exclude the abusing party from the dwelling which the family or household members share or from the residence of the child;*

(3) *on the same basis as is provided in chapter 518, award temporary custody or establish temporary visitation with regard to minor children of the adult family or household members;*

(4) *on the same basis as is provided in chapter 518, establish temporary support for minor children or a spouse, and order the withholding of support from the income of the person obligated to pay the support according to chapter 518;*

(5) *provide counseling or other social services for the family or household members;*

(6) *order the abusing party to participate in treatment or counseling services; or*

(7) *order, in its discretion, other relief as it deems necessary for the protection of a minor family or household member.*

*Provided, that no order excluding the abusing party from the dwelling may be issued unless the court finds that:*

(1) *the order is in the best interests of the child or children remaining in the dwelling;*

(2) *a remaining adult family or household member is able to care adequately for the child or children in the absence of the excluded party; and*

(3) *the local welfare agency has developed a plan to provide appropriate social services to the remaining family or household members.*

**Sec. 6. [260.212] [ADMISSIBILITY OF TESTIMONY IN CRIMINAL PROCEEDING.]**

*Any testimony offered by a respondent in a hearing pursuant to section 5 is inadmissible in a criminal proceeding.*

**Sec. 7. [260.271] [VIOLATION OF AN ORDER FOR PROTECTION.]**

*Subdivision 1. [VIOLATION; PENALTY.] Whenever an order for protection is granted pursuant to section 4 or 5 restraining the person or excluding the person from the residence, and the respondent or person to be restrained knows of the order, violation of the order for protection is a misdemeanor.*

*Subd. 2. [ARREST.] A peace officer shall arrest without a warrant and take into custody a person whom the peace officer has probable cause to believe has violated an order granted pur-*

suant to section 4 or 5 restraining the person or excluding the person from the residence, if the existence of the order can be verified by the officer.

*Subd. 3. [CONTEMPT.] A violation of an order for protection shall also constitute contempt of court and be subject to the penalties therefor.*

*Subd. 4. [ORDER TO SHOW CAUSE.] Upon the filing of an affidavit by the agency or any peace officer, alleging that the respondent has violated any order for protection granted pursuant to section 4 or 5, the court may issue an order to the respondent, requiring the respondent to appear and show cause within 14 days why he should not be found in contempt of court and punished therefor. The hearing may be held by the court in any county in which the child or respondent temporarily or permanently resides at the time of the alleged violation.*

*A peace officer is not liable under section 609.43, clause (1), for a failure to perform a duty required by subdivision 2 of this section.*

#### Sec. 8. [EFFECTIVE DATE.]

*Sections 1 to 7 are effective August 1, 1984, and apply to acts of domestic child abuse committed on or after that date."*

Delete the title and insert:

*"A bill for an act relating to the juvenile court; authorizing intervention by the court to protect children from abuse committed by family or household members; amending Minnesota Statutes 1982, sections 260.015, by adding subdivisions; 260.111, by adding a subdivision; and 260.191, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 260."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1407, A bill for an act relating to nonjudicial resolution of disputes; establishing community dispute resolution centers; creating a board of community dispute resolution to disburse funds to centers; providing for referral of civil, juvenile, and criminal matters to centers; appropriating money; proposing new law coded in Minnesota Statutes, chapters 13 and 494.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [494.01] [LEGISLATIVE FINDINGS.]

*The legislature finds and declares that the resolution of certain civil, juvenile, and criminal matters in a traditional court proceeding can be costly and complex. Formal court actions are not always the most efficient and expeditious manner of resolving civil, juvenile, and criminal disputes. To assist in the resolution of certain disputes arising out of civil, juvenile, and criminal matters not involving violence against a person, there is a compelling need for the creation of an alternative in the form of community dispute resolution programs. Certain civil, juvenile, and criminal matters not involving violence against a person may be diverted to a dispute resolution program either before or after adjudication in civil, juvenile, or criminal court proceedings. Community dispute resolution programs can provide forums for individuals to voluntarily participate in the resolution of disputes in an atmosphere free of restraint and intimidation. Participation in dispute resolution will be effective and fair only when participation is voluntary. The use of volunteers and space in local public facilities can provide an accessible, cost-efficient means of dispute resolution.*

Sec. 2. [494.02] [COMMUNITY DISPUTE RESOLUTION PROGRAM.]

*Subdivision 1. [DEFINITION.] For the purposes of sections 1 to 5, “dispute resolution” means a process voluntarily entered by parties in disagreement using conciliation, mediation, or arbitration to reconcile the parties’ differences. An individual who has been adjudicated incompetent, is under judicial commitment pursuant to chapter 253B, or is under guardianship or conservatorship of the person may not participate in a dispute resolution process.*

*Subd. 2. [ESTABLISHMENT; ADMINISTRATION.] The community dispute resolution program shall be established and administered by the state court administrator’s office. The alternative service delivery/dispute resolution program in the state planning agency shall provide advice and technical assistance upon the request of any public agency or nonprofit organization engaged in establishing a community dispute resolution program.*

*Subd. 3. [GUIDELINES.] The state court administrator shall develop guidelines governing the establishment of community dispute resolution programs and training programs for mediators and arbitrators for those community dispute resolution programs. The guidelines shall provide a method for en-*

*uring that participation in dispute resolution is voluntary. The guidelines shall apply to dispute resolution programs seeking court referrals and include procedures for case processing and program certification criteria which must be met in order to receive court referrals. The guidelines shall require programs to exclude all matters involving violence against a person and shall include standards for training mediators to recognize such situations. Any guidelines developed under this subdivision shall be submitted to the chairmen of the judiciary committees in the house of representatives and senate by February 1, 1985, and shall take effect upon enactment by the legislature.*

*Subd. 4. [REPORTS.] By August 1 of each year, each community dispute resolution program established pursuant to this section shall provide the state court administrator with statistical data regarding the operation budget, the number of referrals, categories or types of cases referred, number of parties served, number of disputes resolved, nature of resolution, amount and type of awards, rate of compliance, returnees to the dispute resolution process, duration and estimated costs of proceedings, and any other information that is required.*

**Sec. 3. [494.03] [CONFIDENTIALITY OF COMMUNICATIONS.]**

*Any communication relating to the subject matter of the resolution process by any participant during dispute resolution shall not be used as evidence against a participant in a judicial or administrative proceeding. This shall not preclude the use of evidence obtained by other independent investigation.*

**Sec. 4. [494.04] [EXCLUSIONS.]**

*A community dispute resolution center may not accept for resolution, either before or after the effective date of guidelines adopted pursuant to section 2, any dispute involving violence against persons, including incidents arising out of situations that would support charges under sections 609.342 to 609.345, 609.3641 to 609.3644, or 609.365, any matter relating to guardianship, conservatorship, or civil commitment, any matter involving neglect or dependency arising under section 260.015, subdivisions 6, 7, 8, 10, 17, and 18, or termination of parental rights arising under sections 260.221 to 260.245, or any dispute subject to sections 518.002 to 518.66, 518A.01 to 518A.25, or 518B.01, whether or not a court action is pending. A department of court services may accept for resolution a dispute arising under sections 518.002 to 518.66 or 518A.01 to 518A.25. This shall not restrict the present authority of the court from referring disputes arising under sections 518.002 to 518.66, or 518A.01 to 518A.25, to for-profit mediation.*



Sec. 5. [13.88] [COMMUNITY DISPUTE RESOLUTION CENTER DATA.]

*All memoranda, agreements, files, and other work products relating to a community dispute resolution program case are classified as private data on individuals, pursuant to section 13.02, subdivision 12, with the following exceptions:*

*(a) When an agreement is between two parties either of whom has been formally charged with a criminal offense, the data are classified as public data on individuals, pursuant to section 13.02, subdivision 15.*

*(b) Dispute resolution program data relating to suspected neglect or physical or sexual abuse of children or vulnerable adults are subject to the reporting requirements of sections 626.556 and 626.557.*

Sec. 6. [STATE COURT ADMINISTRATOR REPORT.]

*By January 1, 1986, the state court administrator shall report to the chairmen of the judiciary committees in the house and in the senate the experience to date with dispute resolution programs established pursuant to section 2 and shall make recommendations for any changes that may be deemed desirable in the dispute resolution program.*

Sec. 7. [APPROPRIATION.]

*The sum of \$47,500 is appropriated from the general fund to the state court administrator for the fiscal year ending June 30, 1985, for the purposes of sections 1 to 6.*

Sec. 8. [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 voluntary nonjudicial resolution of disputes; establishing a community dispute resolution program; appropriating money; proposing new law coded in Minnesota Statutes, chapters 13; and 494."*

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1452, A bill for an act relating to commerce; protecting individuals' expectations of privacy regarding financial records; proposing new law coded in Minnesota Statutes, chapter 13A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [13A.035] [RELEASE TO OTHERS RESTRICTED.]

*Subdivision 1. [DEFINITION.] (a) For the purpose of this section, the following term has the meaning given it.*

*(b) "Person" means a person other than a government authority or an officer, employee, or agent of the financial institution holding a financial record of a customer.*

*Subd. 2. [RELEASE RESTRICTED.] No financial institution, or officer, employee, or agent of a financial institution, may provide to any person access to, or copies of, or the information contained in, the financial records of any customer unless the financial records are reasonably described and:*

*(1) the customer has specifically authorized the disclosure;*  
*or*

*(2) the financial records are disclosed in the ordinary course of business of the financial institution.*

*Nothing in this section shall require a financial institution to inquire or determine that those seeking disclosure have duly complied with the requirements of this section, provided only that the inquiry or customer authorization shows compliance on its face.*

*Subd. 3. [NOTICE TO CUSTOMER.] A customer may request a financial institution to provide notice to the customer upon the release of information which relates to the customer to another, and where such request is made and within 30 days after a person obtains access to the financial records of a customer, the financial institution shall notify the customer of its action in writing. The notice shall be sufficient to inform the customer of the name of the person having had access to the rec-*

*ords, the financial records to which access was obtained, the purpose of the inquiry, and the date on which access was obtained."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1523, A bill for an act relating to peace officers; increasing the compensation for dependents of peace officers killed in the line of duty; amending Minnesota Statutes 1982, section 352E.04.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1556, A bill for an act relating to criminal justice; permitting misdemeanor arrests to be made at night in public places; amending Minnesota Statutes 1983 Supplement, section 629.31.

Reported the same back with the following amendments:

Page 1, line 10, after "felony" insert "*or a gross misdemeanor*"

Page 1, line 13, strike the first "9:00" and insert "10:00"

Page 1, line 13, strike the second "9:00" and insert "8:00"

Page 1, line 15, delete "*in a public place*" and insert "*on a public highway or street*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1568, A bill for an act relating to juveniles; providing for enhanced penalties for juveniles adjudicated for driv-

ing while under the influence of alcohol or a controlled substance; providing that the juvenile court has original jurisdiction of a child who commits both a traffic and nontraffic offense; amending Minnesota Statutes 1982, section 260.193, subdivisions 1, 2, 3, 4, 5, 7, and 8; and Minnesota Statutes 1983 Supplement, sections 169.121, subdivision 3; and 260.193, subdivision 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 169.121, subdivision 3, is amended to read:

Subd. 3. [CRIMINAL PENALTIES.] A person who violates this section or an ordinance in conformity with it is guilty of a misdemeanor.

The following persons are guilty of a gross misdemeanor:

(a) a person who violates this section or an ordinance in conformity with it within five years of a prior conviction under this section, section 169.129, or an ordinance or statute from another state in conformity with it; (AND)

(b) a person who violates this section or an ordinance in conformity with it within ten years of two or more prior convictions under this section, section 169.129, or an ordinance or statute from another state in conformity with it; *and*

(c) *a person who violates this section or an ordinance in conformity with it within five years of a prior juvenile adjudication under this section, section 169.129, or an ordinance or statute from another state in conformity with either of them.*

The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this section.

Sec. 2. Minnesota Statutes 1982, section 260.193, subdivision 8, is amended to read:

Subd. 8. If the juvenile court finds that the child is a juvenile major highway or water traffic offender, it may make any one or more of the following dispositions of the case:

(a) Reprimand the child and counsel with the child and his parents;

(b) Continue the case for a reasonable period under such conditions governing the child's use and operation of any motor vehicles or boat as the court may set;

(c) Require the child to attend a driver improvement school if one is available within the county;

(d) Recommend to the department of public safety suspension of the child's driver's license as provided in section 171.16;

(e) If the child is found to have committed two moving highway traffic violations or to have contributed to a highway accident involving death, injury, or physical damage in excess of \$100, the court may recommend to the commissioner of public safety or to the licensing authority of another state the cancellation of the child's license until he reaches the age of 18 years, and the commissioner of public safety is hereby authorized to cancel the license without hearing. At any time before the termination of the period of cancellation, the court may, for good cause, recommend to the commissioner of public safety, or to the licensing authority of another state, that the child's license *privileges* be (RETURNED TO HIM) *reinstated*, and the commissioner of public safety is authorized to (RETURN THE LICENSE) *reinstate the privileges*;

(f) Place the child under the supervision of a probation officer in his own home under conditions prescribed by the court including reasonable rules relating to his operation and use of motor vehicles or boats directed to the correction of his driving habits;

(g) Require the child to pay a fine of up to \$500. The court shall order payment of the fine in accordance with a time payment schedule which shall not impose an undue financial hardship on the child;

(h) *Transfer legal custody for a period not to exceed 30 days (1) to a county home school, if the county maintains a home school or enters into an agreement with a county home school, or (2) by commitment to the commissioner of corrections for confinement in a facility maintained or licensed by the commissioner for the detention or disposition of juveniles.*

### Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective August 1, 1984, and apply to offenses committed on or after that date."*

Delete the title and insert:

"A bill for an act relating to juveniles; providing for enhanced penalties for adults convicted of driving while under the

influence of alcohol or a controlled substance if there are prior similar juvenile adjudications; providing an alternative disposition for juvenile major traffic offenders; amending Minnesota Statutes 1982, section 260.193, subdivision 8; and Minnesota Statutes 1983 Supplement, section 169.121, subdivision 3.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1602, A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing a sanction for intentional delays; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivisions 1 and 3; 363.071, by adding a subdivision; 363.117; 363.14, subdivision 1; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; and 363.071, subdivision 2; proposing new law coded in chapter 363.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [363.031] [WAIVER PROHIBITED.]

*Any provision, whether oral or written, of a lease, contract, or other agreement or instrument, which purports to be a waiver by an individual of any right or remedy provided in chapter 363 is contrary to public policy and void. Nothing in this section shall be construed to prevent a waiver given in full and final settlement of an existing, identified claim.*

Sec. 2. Minnesota Statutes 1982, section 363.06, subdivision 1, is amended to read:

Subdivision 1. [CHARGE FILING.] Any person aggrieved by a violation of this chapter may bring a civil action as provided in section 363.14, subdivision 1, clause (a), or may file a verified charge with the commissioner or his designated agent, stating the name and address of the person alleged to have committed an unfair discriminatory practice, setting out the details of the practice complained of and, if applicable, providing witnesses, documents, and any other information required by the commissioner. The commissioner may dismiss a charge when the charging party fails to provide required information. The commissioner within five days of the filing shall serve a copy of the charge and a request for a response upon the respondent personally or by (REGISTERED OR CERTIFIED) *first class* mail.

After the filing of a charge the commissioner shall notify the charging party in writing of any change in the status of the charge. A copy of the notice shall be mailed to the respondent.

Sec. 3. Minnesota Statutes 1982, section 363.06, subdivision 3, is amended to read:

Subd. 3. [TIME FOR FILING CLAIM.] A claim of an unfair discriminatory practice must be brought as a civil action pursuant to section 363.14, subdivision 1, clause (a), *filed in a charge with a local commission pursuant to section 363.116, or filed in a charge with the commissioner within (SIX MONTHS) 300 days after the occurrence of the practice. The running of the 300-day limitation period is suspended during the time a potential charging party and respondent are voluntarily engaged in a dispute resolution process involving a claim of unlawful discrimination under chapter 363, including arbitration, conciliation, mediation, or grievance procedures pursuant to a collective bargaining agreement or statutory, charter, or ordinance provisions for a civil service or other employment system. A potential respondent who participates in such a process with a potential charging party before a charge is filed or a civil action is brought shall notify the department and the charging party in writing of his or her participation in the process and the date the process commenced and shall also notify the department and the charging party of the ending date of the process. A respondent who fails to provide this notification is barred from raising the defense that the statute of limitations has run until the 300 days plus a period of time equal to the suspension period has passed.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 363.06, subdivision 4, is amended to read:

Subd. 4. [INQUIRY INTO CHARGE.] (1) Consistent with clause (7), the commissioner shall promptly inquire into the truth of the allegations of the charge. The commissioner shall make an immediate inquiry when (NECESSARY TO PREVENT A CHARGING PARTY FROM SUFFERING IRREPARABLE LOSS IN THE ABSENCE OF IMMEDIATE ACTION) *a charge alleges actual or threatened physical violence.* The commissioner shall also make an immediate inquiry when it appears that a charge is frivolous or without merit and shall dismiss those charges.

*The commissioner shall then give priority to investigating and processing those charges which the commissioner determines have one or more of the following characteristics:*

(a) *there is evidence that the respondent has intentionally engaged in a reprisal;*

(b) *there is evidence of irreparable harm if immediate action is not taken;*

(c) *there is potential for broadly promoting the policies of this chapter;*

(d) *a significant number of recent charges have been filed against the respondent;*

(e) *the respondent is a government entity;*

(f) *the charge is supported by substantial documentation, witnesses, or other evidence.*

*The commissioner shall inform charging parties of these priorities and shall tell each party if their charge is a priority case or not.*

On other charges the commissioner shall make a determination within 12 months after the charge was filed as to whether or not there is probable cause to credit the allegation of unfair discriminatory practices, and

(2) If the commissioner determines after investigation that no probable cause exists to credit the allegations of the unfair discriminatory practice, the commissioner shall, within ten days of the determination, serve upon the charging party and respondent written notice of the determination. Within ten days after receipt of notice, the charging party may request in writing on forms prepared by the department that the commissioner reconsider his determination. The request shall contain a brief statement of the reasons for and new evidence in support of the request for reconsideration. At the time of submission of the request to the commissioner, the charging party shall deliver or mail to the respondent a copy of the request for reconsideration. The commissioner shall either reaffirm or reverse his determination of no probable cause within 20 days after receipt of the request for reconsideration, and he shall within ten days notify in writing the charging party and respondent of his decision to reaffirm or reverse.

A decision by the commissioner that no probable cause exists to credit the allegations of an unfair discriminatory practice shall not be appealed to the court of appeals pursuant to section 363.-072 or sections 14.63 to 14.68.

(3) If the commissioner determines after investigation that probable cause exists to credit the allegations of unfair discriminatory practices, the commissioner shall serve on the respondent and his attorney if he is represented by counsel, by first class mail, a notice setting forth a short plain written statement of the



alleged facts which support the finding of probable cause and an enumeration of the provisions of law allegedly violated. If the commissioner determines that attempts to eliminate the alleged unfair practices through conciliation pursuant to subdivision 5 have been or would be unsuccessful or unproductive, the commissioner shall issue a complaint and serve on the respondent, by (REGISTERED OR CERTIFIED) *first class* mail, a written notice of hearing together with a copy of the complaint, requiring the respondent to answer the allegations of the complaint at a hearing before a hearing examiner at a time and place specified in the notice, not less than ten days after service of said complaint. A copy of the notice shall be furnished to the charging party and the attorney general.

(4) If, at any time after the filing of a charge, the commissioner has reason to believe that a respondent has engaged in any unfair discriminatory practice, the commissioner may file a petition in the district court in a county in which the subject of the complaint occurs, or in a county in which a respondent resides or transacts business, seeking appropriate temporary relief against the respondent, pending final determination of proceedings under this chapter, including an order or decree restraining him from doing or procuring an act tending to render ineffectual an order the commissioner may enter with respect to the complaint. The court shall have power to grant temporary relief or a restraining order as it deems just and proper, but no relief or order extending beyond ten days shall be granted except by consent of the respondent or after hearing upon notice to the respondent and a finding by the court that there is reasonable cause to believe that the respondent has engaged in a discriminatory practice. Except as modified by this section, the Minnesota rules of civil procedure shall apply to an application, and the district court shall have authority to grant or deny the relief sought on conditions as it deems just and equitable. All hearings under this section shall be given precedence as nearly as practicable over all other pending civil actions.

(5) If a lessor, after he has engaged in a discriminatory practice defined in section 363.03, subdivision 2, clause (1), (a), leases or rents a dwelling unit to a person who has no knowledge of the practice or of the existence of a charge with respect to the practice, the lessor shall be liable for actual damages sustained by a person by reason of a final order as provided in this section requiring the person to be evicted from the dwelling unit.

(6) In any complaint issued under this section, the commissioner may seek relief for a class of individuals affected by an unfair discriminatory practice occurring on or after a date (SIX MONTHS) *300 days* prior to the filing of the charge from which the complaint originates.

(7) The commissioner may adopt policies to determine which charges are processed and the order in which charges are

processed based on their particular social or legal significance, administrative convenience, difficulty of resolution, or other standard consistent with the provisions of this chapter.

(8) *The commissioner shall adopt sanctions for unreasonable delay caused by any charging party or respondent in an investigation, or any other aspect of proceedings before the department under this chapter. The sanctions adopted shall be exempt from the rulemaking provisions of chapter 14. In any proceeding before a judge or hearing examiner sanctions may be imposed against a charging party or respondent for unreasonable delay, including an increase or decrease in any award authorized under this chapter.*

Sec. 5. Minnesota Statutes 1982, section 363.071, is amended by adding a subdivision to read:

*Subd. 1a [HEARINGS 180 DAYS AFTER CHARGE.] At any time after 180 days from the filing of a charge, if there has been neither a finding of no probable cause nor of probable cause, the charging party may file a request with the commissioner to appear at a hearing on his own behalf or through a private attorney. Upon receipt of the request, the commissioner shall review the documents and information held in the department's files concerning the charge and shall release to the charging party and respondent all documents and information that is accessible to the charging party and respondent under sections 13.01 to 13.87. The commissioner shall forward the request for hearing to the office of administrative hearings, which shall promptly set the matter for hearing. If the charging party prevails at this hearing, the hearing examiner may require the respondent to reimburse the charging party for reasonable attorney's fees.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 363.071, subdivision 2, is amended to read:

**Subd. 2. [DETERMINATION OF DISCRIMINATORY PRACTICE.]** The hearing examiner shall make findings of fact and conclusions of law, and if the hearing examiner finds that the respondent has engaged in an unfair discriminatory practice, the hearing examiner shall issue an order directing the respondent to cease and desist from the unfair discriminatory practice found to exist and to take such affirmative action as in the judgment of the examiner will effectuate the purposes of this chapter. Such order shall be a final decision of the department. The examiner shall order any respondent found to be in violation of any provision of section 363.03 to pay a civil penalty to the state. This penalty is in addition to compensatory and punitive damages to be paid to an aggrieved party. The hearing examiner shall determine the amount of the civil penalty to be paid, taking into account the seriousness and extent of the violation, the public harm occasioned by the violation, whether the

violation was intentional, and the financial resources of the respondent. Any penalties imposed under this provision shall be paid into the general fund of the state. In all cases *where the examiner (MAY) finds that the respondent has engaged in an unfair discriminatory practice the examiner shall order the respondent to pay an aggrieved party, who has suffered discrimination, compensatory damages, including damages for mental anguish or suffering, in an amount three times the actual damages sustained; and, in all cases, may also order the respondent to pay an aggrieved party, who has suffered discrimination, punitive damages in an amount not more than \$6,000. Punitive damages shall be awarded pursuant to section 549.20. In any case where a political subdivision is a respondent the total of punitive damages awarded an aggrieved party may not exceed \$6,000 and in that case if there are two or more respondents the punitive damages may be apportioned among them. Punitive damages may only be assessed against a political subdivision in its capacity as a corporate entity and no regular or ex officio member of a governing body of a political subdivision shall be personally liable for payment of punitive damages pursuant to this subdivision. In addition to the aforesaid remedies, in a case involving discrimination in*

(a) employment, the examiner may order the hiring, reinstatement or upgrading of an aggrieved party, who has suffered discrimination, with or without back pay, admission or restoration to membership in a labor organization, or his admission to or participation in an apprenticeship training program, on-the-job-training program, or other retraining program, or any other relief the examiner deems just and equitable.

(b) housing, the examiner may order the sale, lease, or rental of the housing accommodation or other real property to an aggrieved party, who has suffered discrimination, or the sale, lease or rental of a like accommodation or other real property owned by or under the control of the person against whom the complaint was filed, according to terms as listed with a real estate broker, or if no such listing has been made, as otherwise advertised or offered by the vendor or lessor, or any other relief the examiner deems just and equitable.

The examiner shall cause the findings of fact, conclusions of law, and order to be served on the respondent (PERSONALLY,) and the charging party by (REGISTERED OR CERTIFIED) first class-mail, and shall furnish copies to the attorney general and the commissioner.

Sec. 7. Minnesota Statutes 1983 Supplement, section 363.072, subdivision 1, is amended to read:

Subdivision 1. [APPEAL.] The commissioner or a person aggrieved by a final decision of the department reached after a hearing held pursuant to section 363.071 may seek judicial re-

view in accordance with chapter 14. *The attorney general shall represent on appeal a charging party who prevailed at a hearing authorized by section 5, if the charging party requests representation within ten days after receipt of the petition for appeal.*

Sec. 8. Minnesota Statutes 1982, section 363.116, is amended to read:

363.116 [TRANSFER TO COMMISSIONER.]

A local commission may refer a matter under its jurisdiction to the commissioner.

The charging party has the option of filing a charge either with a local commission or the department. *Notwithstanding the provisions of any ordinance to the contrary, a charge may be filed with a local commission within 300 days after the occurrence of the practice.* The exercise of such choice in filing a charge with one agency shall preclude the option of filing the same charge with the other agency. At the time a charge comes to the attention of a local agency, the agency or its representative shall inform the charging party of this option, and of his rights under Laws 1967, Chapter 897.

The term "local commission" as used in this section has the same meaning given the term in section 363.115.

Sec. 9. Minnesota Statutes 1982, section 363.117, is amended to read:

363.117 [WITHDRAWAL FROM A LOCAL COMMISSION.]

Notwithstanding the provisions of any law or ordinance to the contrary, a person who has filed a charge with a local commission may bring a civil action as provided in section 363.14 at the following times:

(a) Within 45 days after the local commission has determined that there is no probable cause to credit the allegations contained in the charge; or

(b) After 45 days from the filing of the charge if a hearing has not been held or if the local commission has not entered into a conciliation agreement to which the charging party is a signator. The charging party shall notify the local commission of his intention to bring a civil action, which shall be commenced within 90 days of giving the notice.

A charging party bringing a civil action shall (MAIL BY REGISTERED OR CERTIFIED MAIL) *send a copy of the summons and complaint to the local commission by first class*

*mail* and upon their receipt the local commission shall terminate all proceedings before the local commission relating to the charge. No charge shall be filed or reinstated with the local commission after a civil action relating to the same unfair discriminatory practice has been brought unless the civil action has been dismissed without prejudice.

Sec. 10. Minnesota Statutes 1982, section 363.14, subdivision 1, is amended to read:

Subdivision 1. [COURT ACTIONS, SUITS BY PRIVATE PARTIES, INTERVENTION.] A person may bring a civil action seeking redress for an unfair discriminatory practice:

(a) Directly to district court; or

(b) Notwithstanding the provisions of any law to the contrary, (1) within 45 days after the commissioner has dismissed a charge because it is frivolous or without merit, because the charging party has failed to provide required information, *because the commissioner has determined that further use of department resources is not warranted*, or because the commissioner has determined that there is no probable cause to credit the allegations contained in a charge filed with the commissioner; (2) *within 45 days after the commissioner has reaffirmed his determination of no probable cause if the charging party requested a reconsideration of the probable cause determination*; or ((2)). (3) after 45 days from the filing of a charge pursuant to section 363.06, subdivision 1 if a hearing has not been held pursuant to section 363.071 or if the commissioner has not entered into a conciliation agreement to which the charging party is a signator. The charging party shall notify the commissioner of his intention to bring a civil action, which shall be commenced within 90 days of giving the notice;

(c) The commissioner may dismiss, without prejudice to the charging party, any case filed with the department on or before June 30, 1978. The commissioner shall notify a charging party by regular mail sent before August 1, 1981, that he has a right to bring a civil action pursuant to this section. Upon giving this notice the commissioner shall end all proceedings in the department relating to the charge. Notwithstanding any statutory period of limitation to the contrary, an individual notified pursuant to this clause may bring a civil action relating to his charge; provided that the action is filed on or before February 1, 1982.

A charging party bringing a civil action shall (MAIL BY REGISTERED OR CERTIFIED MAIL) *send* a copy of the summons and complaint to the commissioner *by first class mail*, and upon their receipt the commissioner shall terminate all proceedings in the department relating to the charge. No

charge shall be filed or reinstated with the commissioner after a civil action relating to the same unfair discriminatory practice has been brought unless the civil action has been dismissed without prejudice.

Upon application by the complaining party to the district court at a special term and under circumstances the court deems just, the court may appoint an attorney for the person and may authorize the commencement of the action without payment of fees, costs, or security.

Upon timely application, the court may permit the department to intervene in a civil action brought pursuant to this section upon certification that the case is of general public importance.

Sec. 11. Minnesota Statutes 1982, section 363.14, subdivision 2, is amended to read:

Subd. 2. [DISTRICT COURT JURISDICTION.] Any action brought pursuant to this section shall be filed in the district court of the county wherein the unlawful discriminatory practice is alleged to have been committed or where the respondent resides or has his principal place of business.

Any action brought pursuant to this chapter shall be heard and determined by a judge sitting without a jury.

If the court finds that the respondent has engaged in an unfair discriminatory practice, it shall issue an order directing (SUCH) *appropriate* relief (AS IT DEEMS APPROPRIATE AND WHICH EFFECTUATES THE PURPOSE OF THIS CHAPTER. SUCH RELIEF SHALL BE LIMITED TO THAT PERMITTED) *as provided* by section 363.071, subdivision 2.

Sec. 12. [EFFECTIVE DATE; APPLICATION.]

*Sections 1 to 11 are effective August 1, 1984. Section 5 applies only to charges filed with the department after the effective date of this act."*

Delete the title and insert:

"A bill for an act relating to the human rights department; prohibiting waiver of legal rights; changing the statute of limitations; providing sanctions for intentional delays; permitting award of attorney fees in administrative hearings; changing damage awards; amending Minnesota Statutes 1982, sections 363.06, subdivisions 1 and 3; 363.071, by adding a subdivision; 363.116; 363.117; 363.14, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 363.06, subdivision 4; 363.071,

subdivision 2; and 363.072, subdivision 1; proposing new law coded in chapter 363.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred :

H. F. No. 1618, A bill for an act relating to elections; improving the accessibility of the election process to certain elderly and handicapped persons; amending Minnesota Statutes 1982, sections 201.071, subdivision 2; 201.091, subdivision 8; 203B.07; 204B.17; 204B.18, subdivision 1; 204B.27, subdivisions 3 and 4; 204C.06, subdivision 2; 204C.15, subdivision 1; 206.19, subdivision 2; 206.20; and Minnesota Statutes 1983 Supplement, sections 203B.02, subdivision 1; 204B.16; and 206.09; proposing new law coded in Minnesota Statutes, chapter 206.

Reported the same back with the following amendments :

Delete everything after the enacting clause and insert :

“Section 1. Minnesota Statutes 1982, section 201.071, subdivision 2, is amended to read :

Subd. 2. [INSTRUCTIONS.] A registration card shall be accompanied by instructions specifying the manner and method of registration, the qualifications for voting, (AND) the penalties for false registration, *and the availability of registration and voting assistance for elderly and handicapped individuals and residents of health care facilities and hospitals. If, prior to election day, a person requests the instructions in Braille, on cassette tape, or in a version printed in 16-point bold type with heavy leading, the county auditor shall provide them in the form requested. The secretary of state shall prepare Braille and cassette copies and make them available.*

Sec. 2. Minnesota Statutes 1982, section 201.091, subdivision 8, is amended to read :

Subd. 8. [REGISTRATION PLACES.] Each county auditor shall designate a number of public buildings in those political subdivisions of the county where preregistration of voters is allowed as provided in section 201.061, subdivision 1, where eligible voters may register to vote. At least one public building shall be designated for each 30,000 residents of the (POLITICAL SUBDIVISION) *county. Every county seat shall have at least one telecommunications device for the deaf for voter registration information.*

An adequate supply of registration cards (SHALL) *and instructions must be maintained at each designated location, and a designated individual (SHALL) must be available there to accept registration cards and transmit them to the county auditor.*

*A person who, because of handicap, needs assistance in order to determine eligibility or to register shall be assisted by a designated individual. Assistance includes but is not limited to reading the registration form and instructions and filling out the registration form as directed by the eligible voter.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 203B.02, subdivision 1, is amended to read:

Subdivision 1. [UNABLE TO GO TO POLLING PLACE.] Any eligible voter who 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. 4. Minnesota Statutes 1982, section 203B.07, is amended to read:

203B.07 [RETURN AND BALLOT ENVELOPES; DIRECTIONS TO VOTERS.]

Subdivision 1. [DELIVERY OF ENVELOPES; DIRECTIONS.] The county auditor or the municipal clerk shall prepare, print, and transmit a return envelope, a ballot envelope, and a copy of the directions for casting an absentee ballot to each applicant whose application for absentee ballots is accepted pursuant to section 203B.04. *The directions for casting an absentee ballot shall be printed in at least 14-point bold type with heavy leading. When a person requests the directions in Braille or on cassette tape, the county auditor or municipal clerk shall provide them in the form requested. The secretary of state shall prepare Braille and cassette copies and make them available.*

When a voter registration card is sent to the applicant as provided in section 203B.06, subdivision 4, the directions or registration card shall include instructions for registering to vote.

Subd. 2. [DESIGN OF ENVELOPES.] The return envelope shall be of sufficient size to conveniently enclose and contain the ballot envelope and a voter registration card folded along its perforations. The return envelope shall be designed to open on the left hand end. A certificate of eligibility to vote by



absentee ballot shall be printed on the right hand three-fourths of the back of the envelope. The certificate shall contain a statement to be signed and sworn by the voter indicating that the voter meets all of the requirements established by law for voting by absentee ballot. The certificate shall also contain a statement signed by an eligible voter of the county in which the absent voter maintains residence or by a notary public, United States postmaster, assistant postmaster, postal supervisor, clerk of a postal service contract station or other individual authorized to administer oaths stating that:

- (a) the ballots were displayed to that individual unmarked;
- (b) the voter marked the ballots in that individual's presence without showing how they were marked, or, *if the voter was physically unable to mark them, that the voter directed another individual to mark them*; and
- (c) if the voter was not previously registered, that the voter has provided proof of residence as required by section 201.061, subdivision 3.

The county auditor or municipal clerk shall affix first class postage to the return envelopes.

Sec. 5. Minnesota Statutes 1983 Supplement, section 204B.16, is amended to read:

#### 204B.16 [POLLING PLACES; DESIGNATION.]

Subdivision 1. [AUTHORITY; LOCATION.] The governing body of each municipality and of each county with precincts in unorganized territory shall designate by ordinance or resolution a polling place for each election precinct. The polling place for a precinct in a municipality shall be located within the boundaries of the precinct or within 1500 feet of one of those boundaries unless a single polling place is designated for a city pursuant to subdivision 2. *The polling place for a precinct may be located up to 3,000 feet outside one of the boundaries of the precinct if necessary to locate a polling place that is accessible to and usable by elderly and handicapped individuals as required in subdivision 5.* The polling place for a precinct in unorganized territory may be located outside the precinct at a place which is convenient to the voters of the precinct.

Subd. 2. [SINGLE POLLING PLACE PERMITTED.] The governing body of any city of the third or fourth class having more than one precinct or of any city with territory in more than one county may by ordinance or resolution designate a single, *accessible*, centrally located polling place where all the voters of the city shall cast their ballots. A single board of election judges may be appointed to serve at this polling place. The

number of election judges appointed shall be determined by considering the number of voters in the entire city as if they were voters in a single precinct. Separate ballot boxes shall be provided and separate returns made for each precinct in the city.

Subd. 3. [DESIGNATION EFFECTIVE UNTIL CHANGED.] The designation of a polling place pursuant to this section shall remain effective until a different polling place is designated for that precinct. No designation of a new or different polling place shall become effective less than 30 days prior to an election.

Subd. 4. [PROHIBITED LOCATIONS.] No polling place shall be designated in any place where intoxicating liquors or non-intoxicating malt beverages are served or in any adjoining room. No polling place shall be designated in any place in which substantial compliance with the requirements of this chapter cannot be attained.

Subd. 5. [ACCESS BY ELDERLY AND HANDICAPPED.] Each polling place shall be accessible to and usable by elderly and physically handicapped individuals. A polling place is deemed to be accessible and usable if it complies with the (FOLLOWING) standards (: ) in (a) to (f).

(a) At least one set of doors (SHALL) *must* have a minimum width of 31 inches if the doors must be used to enter or leave the polling place.

(b) Any curb adjacent to the main entrance to a polling place (SHALL) *must* have curb cuts or temporary ramps. *Where the main entrance is not the accessible entrance, any curb adjacent to the accessible entrance must also have curb cuts or temporary ramps.*

(c) *Where the main entrance is not the accessible entrance, a sign shall be posted at the main entrance giving directions to the accessible entrance.*

((C)) (d) At least one set of stairs (SHALL) *must* have a temporary handrail and ramp if stairs must be used to enter or leave the polling place.

((D)) (e) No barrier in the polling place (SHALL) *may* impede the path of the physically handicapped to the voting booth.

(f) *At least one handicapped parking space, which may be temporarily so designated by the municipality for the day of the election, must be available near the accessible entrance.*

*The doorway, handrails, ramps, and handicapped parking provided pursuant to this subdivision must conform to the standards*

*specified in the state building code for accessibility by handicapped persons.*

A governing body shall designate as polling places only those places which meet the standards prescribed in this subdivision unless no available place within a precinct *is accessible or can be made accessible.*

Subd. 6. [PUBLIC FACILITIES.] Every statutory city, home rule charter city, county, town, school district, and other public agency, including the University of Minnesota and other public colleges and universities, shall make their facilities, including parking, available for the holding of city, county, state, and federal elections. A charge for the use of the facilities may be imposed in an amount that does not exceed the lowest amount charged to any public or private group.

Sec. 6. Minnesota Statutes 1982, section 204B.17, is amended to read:

204B.17 [CHANGE OF POLLING PLACE BY ELECTION JUDGES.]

When a designated polling place does not comply with the requirements of this chapter the election judges of that precinct, on or before the opening of the polls on election day and upon approval by the municipal clerk in municipalities or the county auditor in unorganized territory, shall procure a polling place which is as near the designated polling place as possible and which does comply with those requirements.

When a new polling place is procured by the election judges, they shall meet on election day at the original polling place where they shall fill any vacancies in their number, publicly announce the change in polling place to the voters who are present and post a notice *in large print* of the change in a conspicuous place. *They shall also post a notice in a location visible by voters who vote from their motor vehicles as provided in 204C.15, subdivision 2.* Upon completing these duties the election judges shall adjourn to the new polling place, where they shall post a similar notice of the change in polling place. The election judges shall certify to the appropriate governing body the expenses incurred because of the change. These expenses shall be paid as part of the expenses of the election.

Sec. 7. Minnesota Statutes 1982, section 204B.18, subdivision 1, is amended to read:

Subdivision 1. [BOOTHES.] Each polling place (SHALL) *must* contain a number of voting booths in proportion to the number of individuals eligible to vote in the precinct. Each booth (SHALL) *must* be at least six feet high, three feet deep and two feet wide with a shelf at least two feet long and one foot wide

placed at a convenient height for writing. The booth shall be provided with a door or (CURTAIN AND SHALL) *curtains*. *Each accessible polling place must have at least one accessible voting booth or other accessible voting station. All booths or stations must be constructed so that a voter is free from observation while marking ballots. In all other polling places every effort must be made to provide at least one accessible voting booth or other accessible voting station.* During the hours of voting, the booths (SHALL BE PROVIDED WITH) *must have instructions, a pencil, and other supplies needed to mark the ballots. If needed, a chair must be provided for elderly and handicapped voters to use while in the voting booth.* All ballot boxes, voting booths, and election judges (SHALL) *must be in open public view in the polling place.*

Sec. 8. Minnesota Statutes 1982, section 204B.27, subdivision 3, is amended to read:

Subd. 3. [INSTRUCTION POSTERS.] At least 15 days before every state election the secretary of state shall prepare and furnish to the county auditor of each county in which paper ballots are used, voter instruction posters printed in large type upon cards or heavy paper. The instruction posters (SHALL) *must contain the information needed to enable the voters to cast their paper ballots quickly and correctly and indicate the types of assistance available for elderly and handicapped voters.* Two instruction posters shall be furnished for each precinct in which paper ballots are used.

Sec. 9. Minnesota Statutes 1982, section 204B.27, subdivision 4, is amended to read:

Subd. 4. [PAMPHLETS.] The secretary of state (MAY) *shall prepare and distribute to election officials pamphlets for voters containing impartial instructions relating to voter registration and election procedures. The pamphlets must indicate the types of registration and voting assistance available for elderly and handicapped individuals and residents of health care facilities and hospitals.*

Sec. 10. Minnesota Statutes 1982, section 204C.06, subdivision 2, is amended to read:

Subd. 2. [INDIVIDUALS ALLOWED IN POLLING PLACE.] Representatives of the secretary of state's office, the county auditor's office, and the municipal clerk's office may be present at the polling place to observe election procedures. Except for these representatives, election judges, sergeants-at-arms, and challengers, an individual may remain inside the polling place during voting hours only while voting or registering to vote, providing proof of residence for an individual who is registering to vote, or assisting a (PHYSICALLY) handicapped voter

or a voter who is unable to read English. During voting hours no one except individuals receiving, marking, or depositing ballots shall approach within six feet of a voting booth, unless lawfully authorized to do so by an election judge.

Sec. 11. Minnesota Statutes 1982, section 204C.15, subdivision 1, is amended to read:

Subdivision 1. [INTERPRETERS; PHYSICAL ASSISTANCE IN MARKING BALLOTS.] A voter who states under oath that he is in need of assistance because he cannot read English or is physically unable to mark a ballot may obtain the aid of two election judges who are members of different major political parties. The election judges shall mark the ballots as directed by the voter and in as secret a manner as circumstances permit. If the voter *is deaf or cannot speak English or understand it when it is spoken*, the election judges may select two individuals who are members of different major political parties to act as interpreters. The interpreters shall take an oath similar to that taken by election judges, and shall assist the individual in marking the ballots. A voter in need of assistance may alternatively obtain the assistance of (A VOTER OF THE SAME PRECINCT WHO) *any individual the voter chooses. The individual who assists the voter shall take an oath that he or she is eligible to do so. Only the following persons may not provide assistance to a voter: the voter's employer, an agent of the voter's employer, an officer or agent of the voter's union, or a candidate for election. The person who assists the voter shall, unaccompanied by an election judge, (SHALL) retire with that voter to a booth and mark the ballot as directed by the voter. No (VOTER) person who assists another voter as provided in the preceding sentence shall mark the ballots of more than three voters at one election. Before the ballots are deposited, the voter may show them privately to an election judge to ascertain that they are marked as the voter directed. An election judge or other individual assisting a voter shall not in any manner request, persuade, induce, or attempt to persuade or induce the voter to vote for any particular political party or candidate. The election judges or other individuals who assist the voter shall not reveal to anyone the name of any candidate for whom the voter has voted or anything that took place while assisting the voter.*

Sec. 12. Minnesota Statutes 1982, section 204C.15, is amended by adding a subdivision to read:

Subd. 2a. [LEVER MACHINE PRECINCTS.] *An individual who is unable to enter a polling place where a lever voting system is used may register and vote without leaving his motor vehicle. Two election judges who are members of different political parties shall assist the voter to register. They shall provide the voter with the necessary ballots, a ballot envelope, and an absentee ballot return envelope, which shall be completed by the*

*voter, returned to the election judge, and processed pursuant to section 203B.12.*

*An individual who is unable to enter a voting machine booth in a precinct where a lever voting system is used shall be provided with the necessary ballots, a ballot envelope, and an absentee ballot return envelope, which shall be completed by the voter and returned to the election judge and processed pursuant to section 203B.12.*

**Sec. 13. [206.065] [VOTING MACHINES; ACCESSIBILITY OF BALLOT.]**

*Items appearing on the ballot on a voting machine must be positioned as low as possible on the machine so that individuals not able to reach the voting levers at the top of the machine may vote to the greatest extent possible without assistance.*

**Sec. 14. Minnesota Statutes 1983 Supplement, section 206.09, is amended to read:**

**206.09 [BALLOT LABELS; DIAGRAMS FOR VOTING MACHINES.]**

The same authorities as are charged with providing paper ballots when such are used shall be required to provide all ballots, ballot labels and ballot cards, diagrams, sample ballots, return sheets and all other necessary supplies needed for the voting machines or electronic voting systems.

In state and county general elections the county auditor of each county in which voting machines or electronic voting systems are used shall provide all ballots, ballot labels, ballot cards, and other necessary printed forms and supplies needed for the voting machines, including all such forms needed for placing on such voting machines, all officers, candidates and constitutional amendments and other questions and propositions which are required by the election laws to be placed on the white, pink, and canary ballots.

Except as herein provided all ballots (or ballot labels) shall be printed in black ink on clear white material of such size as will fit the ballot frame of the voting machine or as will conform to the requirements of electronic voting systems where used, and in as plain clear type as the space will reasonably permit. In primaries where electronic voting systems are used, the ballot pages for the partisan primary ballots may be different colors or may be otherwise distinctively differentiated as between parties and all pages of the partisan primary ballot of a single party shall be consecutive without the intervention of any pages of any other party. In a prominent place on such ballots there shall be conspicuously printed a notice stating in substance the effect of

attempting to vote in more than one partisan primary. Preparation of separate ballots for use on separate marking devices, each ballot containing the partisan primary ballot of only one party, shall also be permitted. Candidates' names may be set in as large type as the length of the majority of such names of all candidates on the ballot permits and the remaining candidates' names may be set in such smaller sizes or styles of type as the length of each such name requires based upon the available space in the frame of the voting machine or upon the space available on any card, paper, booklet, or pages. Ballots (or ballot labels) for constitutional amendments or that portion of the ballot containing constitutional amendments shall be printed on material tinted pink. In a prominent place on such ballots, there shall be conspicuously printed a notice stating in substance that if a voter fails to vote on a constitutional amendment he votes, in effect, in the negative. Ballots (or ballot labels) for other questions shall be printed on material so tinted as to conform with the laws relating to paper ballots.

The authorities charged with the duty of providing ballots for any polling place where voting machines are used shall provide therefor at least two sample ballots which shall be arranged in the form of a diagram showing such part of the face of the voting machine as shall be in use at that election for voting for all candidates whose names are entitled to be placed on the ballot at such election and shall also show such part of the face of the voting machine as shall be in use for voting for all referendum questions, constitutional amendments, or other propositions; the proper authorities shall provide at least two sample ballots, ballot cards, or ballot labels which shall be arranged in the form of a diagram showing the ballot label containing the names of all candidates and propositions to be voted upon at that election in each polling place. Candidates' names shall not be rotated on such sample ballots but shall be arranged in alphabetical order for all offices where rotation of names on the official ballots on the voting machines is required by law. Such sample ballots shall be either in full or (REDUCED) *enlarged* size and shall contain suitable illustrated directions for voting on the voting machine, or for operating a marking device, or such illustrated instructions shall be provided on a separate poster, to be posted adjacent to each sample ballot. Not less than two such sample ballots shall be posted in a prominent place in the polling place and shall remain open to inspection by the voters throughout the election day. *The instructions shall be printed in at least 14-point bold type with heavy leading.*

The county auditor may use a one inch or more space between partisan and nonpartisan ballots, but in all cases a canary yellow color shall be used as background color on the nonpartisan ballots.

Sec. 15. Minnesota Statutes 1982, section 206.19, subdivision 2, is amended to read:

Subd. 2. The authorities in charge of elections shall provide adequate facilities for the instruction of voters prior to an election and cause to be placed in one or more convenient locations a voting machine with sample ballot labels affixed for the purpose of instructing voters in the operation of the machine. *The facilities for the instruction of voters and the location of the voting machine so far as practicable shall be accessible to elderly and handicapped individuals.* If the ballot labels that are used for this purpose are the same that will be used for the succeeding election the counting mechanism of the machine shall be concealed from view until the machine is prepared for the election and if the machine or machines are not used at the election the counting mechanism shall remain concealed from view until after the election.

Sec. 16. Minnesota Statutes 1982, section 206.20, is amended to read:

206.20 [ACCESSIBILITY; INSTRUCTIONS; ASSISTANCE TO VOTERS.]

Subdivision 1. The voting machine or machines shall be so placed and protected that each machine shall be accessible to only one voter at a time and in full view of all of the election officers and watchers at the polling place. An election judge shall inspect the face of each voting machine after each voter has voted to see that the ballot labels are in their proper places and that the machine has not been injured or tampered with. During elections the door or other compartment of the machine shall not be unlocked or opened or the counters exposed except by a custodian or other authorized person, a statement of which shall be made and signed by the custodian or authorized person and attached to the returns.

Subd. 2. For the instruction of the voters there shall be, so far as practicable in each polling place, at least one mechanical model being a mechanical reproduction of a portion of the face of the voting machine. The model shall be located during the election in some *accessible* place which the voter must pass to reach the machine. Every voter before entering the booth shall be instructed regarding its operation. The instruction shall be illustrated on the model and the voter given the opportunity to personally operate the model. The voter's attention shall also be called to the diagram of the face of the machine so that the voter becomes familiar with the location of the questions and the names of the offices and candidates. At least one election judge shall remain in constant attendance at the instruction model and diagram and occupy himself at all times with the duties of instructing the voters. If any voter after entering the voting machine booth asks for additional instruction in operating the machine the instruction shall be given him by two election judges who are members of different major political parties, if such there be. After giving instruction the election judges shall



retire from the voting machine booth and the voter shall thereafter proceed to vote alone and in secrecy. If any voter at a primary after entering the voting machine booth and setting the primary lever of a major political party so as to release the candidates of that party for voting, and turning down levers over the names of candidates, but before recording the votes for any candidates, states to the election judges that he wishes to enter the primary of a different major political party, the entire election board shall go to the machine and shall see that all voting levers have been returned to the unvoted position so that no votes may be cast for any candidates or for or against any questions or other propositions, and the voter shall then be permitted to return the operating lever to its original position and start from the beginning once more. In each such case the entire election board shall sign a certificate stating what was done and the certificate shall be returned with the official returns of the primary.

Subd. 3. When any voter states under oath that he cannot read English, or that he is physically unable to operate the voting machine in order to record his vote thereon, he may call to his aid two of the election judges of different major political party affiliation, who shall prepare his ballot on the machine as he may desire, and in as secret a manner as circumstances permit. (WHEN HE ALSO STATES THAT HE) *If the voter is deaf or cannot speak the English language or understand it when spoken, the election judges may select two persons from different major political parties to act as interpreters, who shall take an oath similar to that taken by the election judges, and assist such person in voting.* (WHEN THE VOTER SHALL PREFER) *Alternatively, (HE) the voter may (CALL TO HIS AID ANY VOTER OF THE SAME PRECINCT, WHO) obtain the assistance of any individual the voter chooses. The individual who assists the voter shall take an oath that he or she is eligible to do so. Only the following persons may not provide assistance to a voter: the voter's employer, an agent of the voter's employer, an officer or agent of the voter's union, or a candidate for election. The person who assists the voter shall, unaccompanied by an election judge, (MAY) retire with (HIM) the voter to the voting machine booth and prepare (SUCH) the voter's ballot on (SUCH) the voting machine for (HIM) the voter; but no such person shall prepare the ballot of more than three such voters at one election. Before registering his vote such voter may show his ballot, as prepared for recording, privately to an election judge to ascertain that it is prepared as directed. No election judge or other person so assisting a voter shall in any manner request, persuade, or induce, or attempt to persuade such voter to vote for or against any particular major political party, candidate or question, but shall prepare the ballot as requested, and shall not reveal to any other person the name of any candidate for whom the voter has voted, or anything that took place while so assisting him.*

Subd. 4. The election judges shall admit but one voter to the voting machine at one time and only after it has been ascertained that he is entitled to vote. The voting on the voting machine shall be secret except as herein provided for voters needing assistance and no voter shall remain within the voting machine booth longer than three minutes and if he shall refuse to leave it after the lapse of three minutes he shall be removed by the election judges. *If necessitated by the length of the ballot or the handicap of the voter, election judges may allow a voter to remain in the voting booth longer than three minutes.*

Subd. 5. If the official ballots at a precinct at which a voting machine is to be used are not delivered at the time required, or if after delivery they shall become lost, destroyed or stolen the election judges shall immediately notify the clerk or other authority under whose direction the ballots are printed who shall cause other ballots to be prepared, printed, or written as nearly in the form of the official ballot as practicable. The election judges shall cause such substituted ballots to be used in the same manner as the official ballots.

Subd. 6. Ballots cast for persons not nominated by the use of the machine device provided for that purpose shall be designated irregular ballots.

Subd. 7. If any voting machine being used in any election shall become out of order during such election it shall be repaired if possible or another machine substituted as promptly as possible. In case such substitution or repair cannot be made, paper ballots printed or written, and of any suitable form may be used for the taking of votes and for such purpose voting machine sample ballots may be used.

Sec. 17. [EFFECTIVE DATE; APPLICATION.]

*Sections 1 to 16 are effective August 1, 1984, except that election materials printed before the effective date of sections 1 to 16 may be used until July 1, 1985."*

Delete the title and insert:

"A bill for an act relating to elections; improving the accessibility of the election process to certain elderly and handicapped persons; amending Minnesota Statutes 1982, sections 201.071, subdivision 2; 201.091, subdivision 8; 203B.07; 204B.17; 204B.18, subdivision 1; 204B.27, subdivisions 3 and 4; 204C.06, subdivision 2; 204C.15, subdivision 1, and by adding a subdivision; 206.19, subdivision 2; 206.20; and Minnesota Statutes 1983 Supplement, sections 203B.02, subdivision 1; 204B.16; and 206.09; proposing new law coded in Minnesota Statutes, chapter 206."

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. 1630, A bill for an act relating to natural resources; authorizing hunters and trappers to wear blaze orange camouflage; amending Minnesota Statutes 1983 Supplement, section 100.29, subdivision 8.

Reported the same back with the following amendments:

Delete lines 10 to 18 and insert:

"Subd. 8. It shall be unlawful to hunt or trap, or assist therein, in any zone open for the taking of deer with the use of firearms, during such open season, unless the visible portion of the hunter's or trapper's cap and outer garments, above the waist excluding sleeves if any and excluding gloves, shall be bright red or blaze orange or covered therewith. *Blaze orange includes a camouflage pattern of at least 50 percent blaze orange within each foot square.*"

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. 1667, A bill for an act relating to the operation of the department of economic security; funding sheltered workshop and work activity programs based on evaluated effectiveness; defining sheltered employee; requiring rulemaking and a report to the legislature; amending Minnesota Statutes 1982, sections 129A.01 and 129A.08.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 129A.01, is amended to read:

129A.01 [DEFINITIONS.]

For the purposes of this chapter, the following terms shall have the meanings given them:

(a) "Department" means the department of economic security;

(b) "Commissioner" means the commissioner of economic security;

(c) "Vocational rehabilitation services" means those services and goods so defined in the federal Rehabilitation Act of 1973 and section 3, clause (b);

(d) "Handicapped person" means a person who because of a substantial physical, mental or emotional disability or dysfunction requires special services in order to enjoy the benefits of society;

(e) "Long-term sheltered workshop" means a facility where any manufacture or handiwork is carried on and which is operated for the primary purpose of providing remunerative employment to those handicapped persons who, as a result of physical or mental disability, are unable to participate in competitive employment. A long-term sheltered workshop shall supply such employment (1) as a step in the rehabilitation process for those who cannot be readily absorbed in the competitive labor market, or (2) during such time as employment opportunities for them in the competitive labor market do not exist;

(f) "Work activity program" means a program which utilizes manufacturing activities and other production work for the primary purpose of providing basic vocational skills development for the handicapped;

(g) "*Sheltered employee*" means a handicapped person working for pay while participating in a long-term sheltered workshop program.

Sec. 2. Minnesota Statutes 1982, section 129A.08, is amended to read:

129A.08 [(COMMISSIONER'S DUTIES; LONG-TERM SHELTERED) *EVALUATION AND FUNDING OF WORKSHOPS AND WORK ACTIVITY PROGRAMS.*]

Subdivision 1. [*GRANTS.*] The commissioner may make grants to assist cities, towns, counties, nonprofit corporations, or any combination thereof in the establishment, operation and expansion of long-term sheltered workshops or work activity programs. The commissioner may accept federal grants or aids and shall cooperate with federal agencies in any reasonable manner necessary to qualify for federal grants or aids for long-term sheltered workshops or work activity programs.

Subd. 2. [EVALUATION; STATE FUNDING.] At the beginning of each fiscal year, the commissioner shall allocate available funds to long-term sheltered workshops and work activity programs for disbursement during the fiscal year in accordance with approved plans or budgets. *The commissioner shall study and recommend to the legislature by March 1, 1985, new allocation formulas which take into consideration effectiveness of the workshop. In its recommendation the commissioner shall calculate the fiscal impact of the various formulas on each workshop and the extent to which a workshop can utilize new allocation formulas. The commissioner shall develop forms to assist the workshops in collecting data necessary to complete the evaluation. Information needed to conduct the evaluations must be submitted by the workshops along with the annual requests for funding. Failure to submit documentation requested by the commissioner shall result in the withdrawal of all state funding for the workshop.*

The commissioner shall from time to time during the fiscal year review the budgets and expenditures of the (VARIOUS) workshops and programs (AND). If funds are not needed for the workshop or program to which they were allocated, (HE) the commissioner may, after reasonable notice and opportunity for hearing, withdraw such funds as are unencumbered and reallocate them to other workshops or programs. (HE) The commissioner may withdraw funds from any workshop or program which is not being administered in accordance with its approved plan and budget (AND WITH RELEVANT DEPARTMENT RULES) unless a modified plan and budget is submitted to and approved by the commissioner, and implemented within a reasonable time.

*The commissioner shall also withdraw funds from a workshop or program not being administered according to department rules, or not meeting mandatory standards for certification, unless a plan bringing the workshop or program into compliance with the rules and standards is submitted to and approved by the commissioner and implemented within a reasonable time.*

Subd. 3. [OPERATING COSTS FUNDED.] The grant may not exceed an amount equal to 75 percent of the normal operating expenses of the long-term sheltered workshop or work activity program. Wages paid (CLIENTS) sheltered employees or (LONG-TERM WORKERS) work activity program participants are to be excluded in determining operating cost. In the event that there are inadequate funds appropriated to meet the foregoing provisions in full, they shall be prorated proportionately.

Subd. 4. [EVALUATION OF WORKSHOPS.] *The workshop evaluation must include, but not be limited to, the following considerations:*

(a) *Wages and benefits paid to sheltered employees and number of hours worked;*

(b) *Rate of placement in competitive employment;*

(c) *Opportunities for sheltered employees to participate in decisions affecting their employment;*

(d) *Workshop responsiveness to sheltered employees grievances;*

(e) *Increases in individual sheltered employee productivity;*

(f) *Implementing innovative ways to increase placement and retention of sheltered employees in competitive employment, or in sheltered positions with competitive employers, or innovative ways that increase sheltered employee wages;*

(g) *Efficiency of the workshops; and*

(h) *Types and levels of disability of the sheltered employees and willingness of the workshop to accept and assist persons with serious behavioral, mental, sensory or physical disabilities.*

*The evaluation must take into account the disability levels of the sheltered employees, the geographic location and size of the workshop and the economic conditions of the surrounding community.*

Subd. (4) 5. [RULE AUTHORITY.] In addition to the powers already conferred on him by law, the commissioner shall promulgate rules (IN REGARD TO THE FOLLOWING MATTERS) on:

(a) state certification of all long-term sheltered workshops and work activity programs;

(b) eligibility of community long-term sheltered workshops and work activity programs to receive state grants;

(c) standards for qualification of personnel and quality of professional service and for in-service training and education leave programs for personnel;

(d) eligibility for service so that no person will be denied service on the basis of race, creed or color;

(e) regulatory fees for consultation services; and

(f) standards and criteria by which handicapped persons are to be judged eligible for the services;

(g) *evaluation criteria for long-term sheltered workshops; and*

(h) *program evaluation criteria for work activity programs in order to determine the extent to which these programs meet the goals and objectives established in state and federal law relating to work activity programs.*

*The rules on evaluation criteria for long-term sheltered workshops must be in effect by July 1, 1985. The rules must be used in making allocations for fiscal years beginning after June 30, 1986.*

*Subd. 6. The commissioner shall provide technical assistance within available resources to workshops and programs based on the need reflected in an evaluation.*

### Sec. 3. [REPORT TO LEGISLATURE.]

*The commissioner shall report to the legislature by March 1, 1985 on the progress in implementing sections 1 and 2. The report shall include a draft of the proposed rule and current information on the status of rule development."*

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1686, A bill for an act relating to dogs; protecting leader dogs; imposing penalties; proposing new law coded in Minnesota Statutes 1982, chapter 347.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1982, section 35.71, subdivision 3, is amended to read:

Subd. 3. [ESTABLISHMENT DEFINED, POWERS, STRAY ANIMALS, SEIZURE, DISPOSITION.] "Establishment" shall include any public or private agency, person, society

or corporation having custody of animals which are seized under the authority of the state or any political subdivision of the state. All animals seized by public authority shall be held for redemption by the owner for a period not less than five regular business days of the impounding agency, or for a longer period of time specified by municipal ordinance. For the purpose of this subdivision, the term "regular business day" means any day during which the establishment having custody of an animal is open to the public not less than four consecutive hours between the hours of 8:00 A.M. and 7:00 P.M. These establishments shall maintain the following records of the animals in custody, and preserve the records for a minimum of six months:

- (a) The description of the animal, by species, breed, sex, approximate age, and other distinguishing traits;
- (b) The location at which the animal was seized;
- (c) The date of seizure;
- (d) The name and address of the person from whom any animal three months of age or over was received;
- (e) The name and address of the person to whom any animal three months of age or over was transferred.

The records shall be maintained in a form permitting easy perusal by the public. A person may view the records and may view any and all animals in custody at any time during which the establishment is open to the public. At the end of this five day period all animals which remain unredeemed by their owners or any other person entitled to do so (SHALL) *may* be made available to any institution licensed hereunder which has submitted a prior request for the numbers which the institution requests. *Every municipality which operates its own establishment or which contracts with another entity, public or private, for animal control services may, by ordinance, state whether animals seized in that municipality shall be made available to any institution.* However, if a tag affixed to the animal, or a statement by the animal's owner after seizure, specifies that an animal shall not be used for research, the animal shall not be made available to any institution (BUT MAY, IN THE DISCRETION OF THE ESTABLISHMENT,) *and shall* be destroyed after the expiration of the five day period. If a request is made by a licensed institution to an establishment for a larger number of animals than are available at the time of the request, the establishment shall withhold from destruction, all unclaimed and unredeemed animals until the request has been filled, provided that the actual expense of holding animals beyond the time of notice to the institution of their availability, shall be borne by the institution receiving them. Any establishment which fails or refuses to comply with these provisions shall become immediately ineligible for



any further public funds from any county or municipality. Upon receipt of a sworn statement by an authorized officer or employee of any institution licensed hereunder of noncompliance by any establishment with these provisions, it shall be unlawful for the treasurer of any municipality or other political subdivision of the state to pay any public funds to an establishment until the complainant withdraws its statement of noncompliance or until the board shall either determine that the complaint of noncompliance was without foundation or that the establishment has given adequate assurance of future compliance, and the treasurer of the municipality or other political subdivision has been notified of the determination in writing. If it appears upon the complaint of any person that any officer, agent, or employee of an establishment is violating or failing to carry out the provisions of this section, the attorney general or county attorney of the county in which the establishment is located, in addition to any other remedies, may bring an action in the name of the state of Minnesota against any establishment, officer, agent or employee thereof to enjoin compliance with this section."

Page 1, line 10, after "*visually*" insert "*or physically*"

Page 1, line 23, after "*against*" insert "*the owner of*" and delete "*which*" and insert "*if the dog*"

Renumber the subsequent section

Amend the title as follows:

Page 1, line 2, delete the first "dogs" and insert "animals"

Page 1, line 2, after the first semicolon insert "disposition of stray animals;"

Page 1, line 3, after the semicolon insert "amending Minnesota Statutes 1982, section 35.71, subdivision 3;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1695, A bill for an act relating to courts; accelerating the effective date of judicial reorganization in the third judicial district; amending Minnesota Statutes 1982, section 487.191.

Reported the same back with the following amendments:

Page 1, line 11, delete "*judicial district*" and insert "*and seventh judicial districts*"

Page 1, line 17, delete "*judicial district*" and insert "*and seventh judicial districts*"

Page 1, line 22, delete "*judicial district*" and insert "*and seventh judicial districts*"

Page 2, line 11, after "reelection" insert "*district-wide*"

Amend the title as follows:

Page 1, lines 3 and 4, delete "judicial district" and insert "and seventh judicial districts"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1735, A bill for an act relating to crimes; requiring the court to impose a stay of execution of sentence with a 90-day period of incarceration as a condition of probation for certain offenders convicted of a first offense of burglary of a dwelling; amending Minnesota Statutes 1983 Supplement, section 609.583.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1755, A bill for an act relating to crimes; prohibiting interfering with emergency communications over a citizen's band radio channel; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 609.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"Section 1. [609.781] [UNLAWFUL INTERFERENCE WITH EMERGENCY COMMUNICATIONS OVER CITIZEN'S BAND RADIO CHANNELS.]**

*Whoever intentionally or recklessly interrupts, disrupts, impedes, or otherwise interferes with the transmission of a citizen's band radio channel communication, the purpose of which is to inform or inquire about a medical emergency or an emergency in which property is or is reasonably believed to be in imminent danger of damage or destruction, is guilty of a misdemeanor.*

**Sec. 2. [EFFECTIVE DATE.]**

*Section 1 is effective August 1, 1984, and applies to crimes committed on or after that date."*

Amend the title as follows:

Page 1, line 4, delete "penalties" and insert "a penalty"

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. 1791, A bill for an act relating to waters; legislative approval of a certain diversion by the North Kittson Rural Water District.

Reported the same back with the following amendments:

Page 1, line 9, delete "for sale"

Page 1, line 10, delete "municipal" and insert "domestic"

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. 1800, A resolution memorializing Congress and the President to continue their efforts to halt the persecution of the Baha'i minority in Iran.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1806, A bill for an act relating to public welfare; amending the reporting of maltreatment of minors act; clarifying the roles of law enforcement and local welfare agencies; clarifying language; amending Minnesota Statutes 1982, section 626.556, subdivision 11; amending Minnesota Statutes 1983 Supplement, section 626.556, subdivisions 1, 2, 4, and 10.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 626.556, subdivision 1, is amended to read:

Subdivision 1. [PUBLIC POLICY.] The legislature hereby declares that the public policy of this state is to protect children whose health or welfare may be jeopardized through physical abuse, neglect or sexual abuse; to strengthen the family and make the home, school, and community safe for children by promoting responsible child care in all settings; and to provide, when necessary, a safe temporary or permanent home environment for physically or sexually abused children.

In addition, it is the policy of this state to require the reporting of suspected neglect, physical or sexual abuse of children in the home, school, and community settings; to provide for the voluntary reporting of abuse or neglect of children; to require the *assessment and* investigation of the reports; and to provide protective and counseling services in appropriate cases.

Sec. 2. Minnesota Statutes 1983 Supplement, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by a person responsible for the child's care, to any act which constitutes a violation of sections 609.342, 609.343, 609.344, or 609.345, or sections 609.364 to 609.3644. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Person responsible for the child's care" means a parent, guardian, teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, baby sitting, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to (i) mean that a child is neglected solely because the child's parent, guardian or other person responsible for his care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, or (ii) impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter or medical care, a duty to provide that care.

(d) "Physical abuse" means:

(i) Any physical injury inflicted by a person responsible for the child's care on a child other than by accidental means; or

(ii) Any physical injury that cannot reasonably be explained by the child's history of injuries.

(e) "Report" means any report received by the local welfare agency, police department or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanatorium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245.782.

(h) "Commissioner" means the commissioner of public welfare.

(i) "Assessment" means interviewing the child, the person or persons responsible for the child's care, the alleged perpetrator of the alleged abuse or neglect, or any other person with knowledge of the alleged abuse or neglect for the purpose of gathering the facts or assessing the risk to the child and formulating a treatment plan.

Sec. 3. Minnesota Statutes 1982, section 626.556, subdivision 3, is amended to read:

Subd. 3. [PERSONS MANDATED TO REPORT.] A professional or his delegate who is engaged in the practice of the healing arts, social services, hospital administration, psychological or psychiatric treatment, child care, education, or law en-

forcement who has knowledge of or reasonable cause to believe a child is being neglected or physically or sexually abused shall immediately report the information to the local welfare agency, *the appropriate licensing agency, the police department or the county sheriff. A person mandated to report suspected physical or sexual child abuse or neglect occurring within a licensed facility shall report the information to the agency responsible for licensing the facility. A health or corrections agency receiving a report may request the local welfare agency to provide assistance pursuant to subdivisions 10, 10a, and 10b.* The police department or the county sheriff, upon receiving a report, shall immediately notify the local welfare agency. The local welfare agency *or the appropriate licensing agency*, upon receiving a report, shall immediately notify the local police department or the county sheriff. Nothing in this subdivision shall be construed to require more than one report from any institution, facility, school or agency.

Any person not required to report under the provisions of this subdivision may voluntarily report to the local welfare agency, police department or the county sheriff if he has knowledge of or reasonable cause to believe a child is being neglected or subjected to physical or sexual abuse. The police department or the county sheriff, upon receiving a report, shall immediately notify the local welfare agency.

Any person who makes a report shall, upon request to the local welfare agency, receive a concise summary of the disposition of the report, unless release would be detrimental to the best interests of the child.

Sec. 4. Minnesota Statutes 1983 Supplement, section 626.556, subdivision 4, is amended to read:

Subd. 4. [IMMUNITY FROM LIABILITY.] (a) Any person, including those voluntarily making reports and those required to make reports under subdivision 3, participating in good faith and exercising due care in the making of a report *or assisting in the assessment* pursuant to this section has immunity from any liability, civil or criminal, that otherwise might result by reason of his action.

(b) A supervisor or social worker employed by a local welfare agency, who in good faith exercises due care when complying with subdivisions 10 and 11 or any related rule or provision of law, shall have immunity from any civil liability that otherwise might result by reason of his action.

Any public or private school, facility as defined in subdivision 2, or the employee of any public or private school or facility who permits access by a local welfare agency and assists in good faith in an (INVESTIGATION) *assessment interview* pursuant to

subdivision 10 has immunity from any liability, civil or criminal, that otherwise might result by reason of that action.

This subdivision does not provide immunity to any person for failure to make a required report or for committing neglect, physical abuse, or sexual abuse of a child.

Sec. 5. Minnesota Statutes 1983 Supplement, section 626.556, subdivision 10, is amended to read:

Subd. 10. [DUTIES OF LOCAL WELFARE AGENCY UPON RECEIPT OF A REPORT.] (a) If the report alleges neglect, physical abuse, or sexual abuse by a parent, guardian, or individual functioning within the family unit as a person responsible for the child's care, the local welfare agency shall immediately (INVESTIGATE) *conduct an assessment* and offer protective social services for purposes of preventing further abuses, safeguarding and enhancing the welfare of the abused or neglected minor, and preserving family life whenever possible. When necessary the local welfare agency shall seek authority to remove the child from the custody of his parent, guardian or adult with whom he is living. In performing any of these duties, the local welfare agency shall maintain appropriate records.

(b) Authority of the local welfare agency responsible for (INVESTIGATING) *assessing* the child abuse report includes, but is not limited to, authority to interview, without parental consent, the alleged victim and any other minors who currently reside with or who have resided with the alleged perpetrator. The interview may take place at school or any facility or other place where the alleged victim or other minors might be found and may take place outside the presence of the perpetrator or parent, legal custodian, or guardian. Except as provided in this clause, the parent, legal custodian, or guardian shall be notified, no later than the conclusion of the (INVESTIGATION) *assessment*, that this interview has occurred. Notwithstanding rule 49.02 of the Minnesota Rules of Procedure for Juvenile Courts, the juvenile court may, after hearing on an ex parte motion by the local welfare agency, order that, where reasonable cause exists, notification of this interview be withheld from the parent, legal custodian, or guardian.

(c) When the local welfare agency determines that an interview should take place on school property, written notification must be received by school officials prior to the interview. The notification shall include the name of the child to be interviewed, the purpose of the interview, and a reference to the statutory authority to conduct an interview on school property. The notification shall be signed by the chairman of the county welfare board or his designee. The time, place, and manner of the interview on school premises shall be within the discretion of school officials. The conditions as to time, place, and manner of the

interview set by the school officials shall be reasonable and the interview shall be conducted not more than 24 hours after the receipt of the notification unless another time is deemed necessary by agreement between the school officials and the local welfare agency. School officials shall not disclose to the parent, legal custodian, guardian, or perpetrator that a request to interview the child has been made until after the (ABUSE INVESTIGATION) *assessment interview* has been concluded. Every effort shall be made to reduce the disruption of the educational program of the child, other students, or school staff when an interview is conducted on school premises.

(d) Where the perpetrator or a person responsible for the care of the alleged victim or other minor prevents access to the victim or other minor by the local welfare agency, the juvenile court may order the parents, legal custodian, or guardian to produce the alleged victim or other minor for questioning by the local welfare agency outside the presence of the perpetrator or any person responsible for the child's care at reasonable places and times as specified by court order.

(e) Before making an order under paragraph (d), the court shall issue an order to show cause, either upon its own motion or upon a verified petition, specifying the basis for the requested interviews and fixing the time and place of the hearing. The order to show cause shall be served personally and shall be heard in the same manner as provided in other cases in the juvenile court. The court shall consider the need for appointment of a guardian ad litem to protect the best interests of the child. If a guardian ad litem is appointed, he shall be present at the hearing on the order to show cause.

(f) The commissioner and the local welfare agencies responsible for investigating reports have the right to enter facilities as defined in subdivision 2 and to inspect and copy the facility's records as part of the investigation. Notwithstanding the provisions of chapter 13, they also have the right to inform the facility under investigation that they are conducting an investigation, to disclose to the facility the names of the individuals under investigation for abusing or neglecting a child, and to provide the facility with a copy of the report and the investigative findings.

Sec. 6. Minnesota Statutes 1982, section 626.556, subdivision 11, is amended to read:

Subd. 11. [RECORDS.] All records maintained by a local welfare agency under this section, including any written reports filed under subdivision 7, shall be private data on individuals, except insofar as copies of reports are required by subdivision 7 to be sent to the local police department or the county sheriff. Report records maintained by any police



department or the county sheriff shall be private data on individuals except the reports shall be made available to the investigating, petitioning, or prosecuting authority *and to the local welfare agency*. The welfare board shall make available to the investigating, petitioning, or prosecuting authority any records which contain information relating to a specific incident of neglect or abuse which is under investigation, petition, or prosecution and information relating to any prior incidents of neglect or abuse involving any of the same persons. The records shall be collected and maintained in accordance with the provisions of chapter 13. An individual subject of a record shall have access to the record in accordance with those sections, except that the name of the reporter shall be confidential while the report is under *assessment or investigation*. After the *assessment or 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.

Records maintained by local welfare agencies, the police department or county sheriff under this section shall be destroyed as described in clauses (a) to (c):

(a) If upon *assessment or investigation* a report is found to be unsubstantiated, notice of intent to destroy records of the report shall be mailed to the individual subject of the report. At the subject's request the records shall be maintained as private data. If no request from the subject is received within 30 days of mailing the notice of intent to destroy, the records shall be destroyed.

(b) All records relating to reports which, upon *assessment or investigation*, are found to be substantiated shall be destroyed seven years after the date of the final entry in the case record.

(c) All records of reports which, upon initial *assessment or investigation*, cannot be substantiated or disproved to the satisfaction of the local welfare agency, local police department or county sheriff may be kept for a period of one year. If the local welfare agency, local police department or county sheriff is unable to substantiate the report within that period, each agency unable to substantiate the report shall destroy its records relating to the report in the manner provided by clause (a).

Sec. 7. [EFFECTIVE DATE.]

*This act is effective August 1, 1984.*"

Delete the title and insert:

"A bill for an act relating to public welfare; amending the reporting of maltreatment of minors act; clarifying the roles of law enforcement and local welfare agencies; clarifying lan-

guage; amending Minnesota Statutes 1982, section 626.556, subdivisions 3 and 11; amending Minnesota Statutes 1983 Supplement, section 626.556, subdivisions 1, 2, 4, and 10."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1828, A bill for an act relating to local government; setting authority to regulate firearms and related matters; amending Minnesota Statutes 1982, sections 624.7132, subdivision 16; and 624.717; proposing new law coded in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1982, section 624.718.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [624.719] [LOCAL REGULATION LIMITED.]

*Notwithstanding any contrary provision in sections 624.711 to 624.718 or any other law, no municipality or county shall, by ordinance or other regulation, prohibit the ownership of guns.*

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 crimes; providing that a municipality or county shall not ban the ownership of guns; proposing new law coded in Minnesota Statutes, chapter 624."

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1850, A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality; amending Minnesota Statutes 1982, sections 297A.25, subdivi-

sion 4; and 609.341, subdivision 11; repealing Minnesota Statutes 1982, section 238.07.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1852, A bill for an act relating to state departments and agencies; providing for a study of expanding long-term care ombudsman responsibilities to include community-based care for persons 65 years of age or older.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [STUDY.]

*The director of the state planning agency shall study the need for further development of mechanisms to help assure quality of care for persons age 60 or older who receive community-based care services. Community-based services are those services which are provided in order to maintain older disabled individuals in residential settings that are noninstitutional in nature. They may be provided in the person's own home or similar living arrangement, such as homemaker services, or in settings to which the client travels, such as adult day care.*

*The study shall utilize existing reports and studies in progress in the completion of its work.*

*The study shall identify current mechanisms for quality assurance for community-based care, including the interrelationships of the various agencies involved and the scope of their responsibilities. The study shall examine:*

(1) *the estimated need for additional or new quality assurance controls for community-based care programs, including projected utilization rates under the alternative care grants program;*

(2) *quality assurance issues relating to regulating both publicly and privately funded community-based care services, especially as they relate to unlicensed services;*

(3) *any evidence of current quality assurance problems in community-based care and data collection;*

(4) *the advisability of expanding the responsibilities of the long-term care ombudsman program to include recipients of community-based care services and the estimated state costs of expanding the long-term care ombudsman's responsibilities to adequately respond to consumer complaints about community-based care; and*

(5) *the relationship between the quality assurance system for persons age 60 or over and quality assurance mechanisms for other persons using community-based care, including people who are mentally retarded or mentally ill.*

*The study may also examine alternatives to existing quality assurance mechanisms, including increased involvement by citizen monitoring groups. The study may also recommend criteria for determining where state regulation is indicated. If the study recommends expanding the current quality assurance system to include community-based care, or if an alternative quality assurance mechanism is recommended, the study shall also recommend methods for regular evaluation of the quality assurance mechanism's effectiveness.*

*The director shall report to the legislature on its progress by January 31, 1985."*

Delete the title and insert:

*"A bill for an act relating to state departments and agencies; providing for a study of the need for further development of mechanisms to help assure quality of care for persons age 60 or older who receive community-based care services."*

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1871, A bill for an act relating to elections; making procedural changes; correcting erroneous and obsolete provisions; amending Minnesota Statutes 1982, sections 200.02, subdivision 7; 201.021; 201.061, subdivision 2; 203B.04, subdivision 4; 203B.06, subdivision 4; 204B.27, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.29, subdivision 1; 204C.27; and 208.04; Minnesota Statutes 1983 Supplement, sections 203B.12, subdivision 2; 204B.36, subdivision 2; 204C.10, subdivision 1; 204C.32, subdivision 2; and 204D.11, subdivisions 1 and 5; repealing Minnesota Statutes 1982, sections 201.018, subdivision 1; 204C.11; and 204C.30, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 200.02, subdivision 7, is amended to read:

Subd. 7. [MAJOR POLITICAL PARTY.] “Major political party” means a political party that maintains a party organization in the state, political division or precinct in question and:

(a) Which has presented at least one candidate for election to a partisan office at the last preceding state general election, which candidate received votes in each county in that election and received votes from not less than five percent of the total number of individuals who voted in that election; or

(b) Whose members present to the (COUNTY AUDITOR) *secretary of state* a petition for a place on the state partisan primary ballot, which petition contains signatures of a number of the party members equal to at least five percent of the total number of individuals who voted in the preceding state general election (IN THE COUNTY WHERE THE APPLICATION IS SUBMITTED).

Sec. 2. Minnesota Statutes 1982, section 201.021, is amended to read:

201.021 [PERMANENT REGISTRATION SYSTEM.]

A permanent system of voter registration by county is established. (ANY COUNTY NOT CONTAINING A CITY WITH A POPULATION OF 10,000 OR MORE MAY EXEMPT ITSELF FROM THE PROVISIONS OF LAWS 1981, CHAPTER 29, ARTICLE II, SECTIONS 5 TO 24.) The county auditor shall be chief registrar of voters and the chief custodian of the official registration records in each county.

Sec. 3. Minnesota Statutes 1982, section 201.061, subdivision 2, is amended to read:

Subd. 2. [POLITICAL SUBDIVISION WITHOUT (PERMANENT SYSTEM) *PREREGISTRATION*.] Subdivision 1 does not apply to eligible voters in any political subdivision which does not on (JULY 1, 1973 HAVE A PERMANENT SYSTEM OF VOTER REGISTRATION) *August 1, 1984 allow preregistration* unless the governing body of that political subdivision by ordinance or resolution elects to come under the provisions of subdivision 1. The decision to allow preregistration may not be rescinded.

Sec. 4. Minnesota Statutes 1982, section 203B.04, subdivision 4, is amended to read:

Subd. 4. [REGISTRATION AT TIME OF APPLICATION.] (IN COUNTIES WITH A PERMANENT SYSTEM OF VOTER REGISTRATION,) An eligible voter who is not registered to vote but who is otherwise eligible to vote by absentee ballot may register by including a completed voter registration card with the absentee ballot. The individual shall present proof of residence as required by section 201.061, subdivision 3, to the individual who witnesses the marking of the absentee ballots.

Sec. 5. Minnesota Statutes 1982, section 203B.06, subdivision 4, is amended to read:

Subd. 4. [REGISTRATION CHECK.] (IN COUNTIES WITH A PERMANENT SYSTEM OF VOTER REGISTRATION,) Upon receipt of an application for ballots, the county auditor, municipal clerk, or election judge acting pursuant to section 203B.11, who receives the application shall determine whether the applicant is a registered voter. If the applicant is not registered to vote, the county auditor, municipal clerk or election judge shall include a voter registration card among the election materials provided to the applicant.

Sec. 6. Minnesota Statutes 1983 Supplement, section 203B.12, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION OF RETURN ENVELOPES.] Two or more election judges shall examine each return envelope and shall mark it accepted or rejected in the manner provided in this subdivision. The election judges shall remove the ballot envelope from the return envelope; mark the ballot envelope "Accepted" and initial or sign the ballot envelope below the word "Accepted" if the election judges or a majority of them are satisfied that:

(a) the voter's signature on the return envelope is the genuine signature of the individual who made the application for ballots and the certificate has been completed as prescribed in the directions for casting an absentee ballot;

(b) (IN PRECINCTS WITH A PERMANENT VOTER REGISTRATION SYSTEM,) the voter is registered and eligible to vote in the precinct or has included a properly completed registration card in the return envelope (OR, IN PRECINCTS WITH NO PERMANENT VOTER REGISTRATION SYSTEM, THE ADDRESS OF THE VOTER LIES WITHIN THE PRECINCT); and

(c) the voter has not already voted at that election, either in person or by absentee ballot.

The return envelope from accepted ballots shall be preserved and returned to the county auditor with the voters' certificates.

If all or a majority of the election judges examining return envelopes find that an absent voter has failed to meet one of the requirements prescribed in clauses (a) to (c), they shall mark the return envelope "Rejected," initial or sign it below the word "Rejected," and return it to the county auditor with the unused ballots.

Sec. 7. Minnesota Statutes 1982, section 204B.27, subdivision 2, is amended to read:

Subd. 2. [ELECTION LAW AND INSTRUCTIONS.] The secretary of state shall prepare and publish a volume containing all state general laws relating to elections. The attorney general shall provide annotations to the secretary of state for this volume. On or before July 1 of every even numbered year the secretary of state shall furnish to the county auditors and municipal clerks (SUFFICIENT) *enough* copies of this volume so that each county auditor (,) *and* municipal clerk (AND ELECTION PRECINCT) will have at least one copy. *The secretary of state shall prepare an extract of this volume containing all the election laws related to the duties of election judges. On or before August 1 of every even-numbered year, the secretary of state shall furnish to the county auditors and municipal clerks enough copies of this extract so that each election precinct will have at least one copy.* The secretary of state shall determine the manner in which the volume (IS) *and extract are* distributed. The secretary of state may prepare and transmit to the county auditors and municipal clerks detailed written instructions for complying with election laws relating to the conduct of elections, conduct of voter registration and voting procedures.

Sec. 8. Minnesota Statutes 1982, section 204B.27, subdivision 3, is amended to read:

Subd. 3. [INSTRUCTION POSTERS.] At least (15) *25* days before every state election the secretary of state shall prepare and furnish to the county auditor of each county in which paper ballots are used, voter instruction posters printed in large type upon cards or heavy paper. The instruction posters shall contain the information needed to enable the voters to cast their paper ballots quickly and correctly. Two instruction posters shall be furnished for each precinct in which paper ballots are used.

Sec. 9. Minnesota Statutes 1982, section 204B.28, subdivision 2, is amended to read:

Subd. 2. [ELECTION SUPPLIES; DUTIES OF COUNTY AUDITORS AND CLERKS.] Except as otherwise provided for absentee ballots in section 204B.35, subdivision 4, the county

auditor shall complete the preparation of the election materials for which he is responsible at least one week before every state primary and state general election. At any time after all election materials are available from the county auditor but not later than one week before the election each municipal clerk shall secure from the county auditor:

(a) The forms that are required for the conduct of the election;

(b) Any printed voter instruction materials furnished by the secretary of state;

(c) Any other instructions for election officers; and

(d) A sufficient quantity of the official ballots, ballot boxes, (REGISTERS,) registration files, envelopes for ballot returns, and other supplies and materials required for each precinct in order to comply with the provisions of the Minnesota election law. The county auditor may furnish the election supplies to the municipal clerks in the same manner as the supplies are furnished to precincts in unorganized territory pursuant to section 204B.29, subdivision 1.

Sec. 10. Minnesota Statutes 1982, section 204B.29, subdivision 1, is amended to read:

Subdivision 1. [SECURING ELECTION MATERIALS.] Before 9:00 p.m. on the day preceding an election, at least one election judge from each precinct in each municipality shall secure (ELECTION REGISTERS OR) voter registration files, ballots, forms, envelopes and other required supplies from the municipal clerk or other legal custodian. The election judge shall deliver the materials to the polling place before the time when voting is scheduled to begin on election day. The county auditor shall send or deliver the election supplies enumerated in this section to the election judges in the precincts in unorganized territory. The election supplies may be sent by certified mail, parcel post, express mail or any other postal service providing assured delivery by no later than the day before the election. If the election supplies are delivered by any other means, they shall be delivered by no later than the day before the election.

Each precinct shall be furnished with 100 ballots of each kind for every 85 individuals who voted in that precinct at the last election for the same office or on similar questions, or with ballots of each kind in an amount at least ten percent greater than the number of votes which are reasonably expected to be cast in that precinct in that election, whichever supply of ballots is greater. No precinct shall be furnished with any ballots containing the name of any candidate who cannot properly be voted for in that precinct.



The election judges shall be responsible for the preservation of all election materials received by them until returned to the appropriate election officials after the voting has ended.

Sec. 11. Minnesota Statutes 1983 Supplement, section 204B.-36, subdivision 2, is amended to read:

Subd. 2. [CANDIDATES AND OFFICES.] The name of each candidate shall be printed at a right angle to the length of the ballot. At a general election the name of the political party or the political principle of each candidate for partisan office shall be printed above or below the name of the candidate. The name of a political party or a political principle shall be printed in capital and lower case letters of the same type, with the capital letters at least one-half the height of the capital letters used for names of the candidates. At a general election, blank lines shall be printed below the name of the last candidate for each office, or below the title of the office if no candidate has filed for that office, so that a voter may write in the names of individuals whose names are not on the ballot. One blank line shall be printed for each officer of that kind to be elected. At a primary election, no blank lines shall be provided for writing in the names of individuals whose names do not appear on the primary ballot.

On the left side of the ballot at the same level with the name of each candidate and each blank line shall be printed a square in which the voter may designate his vote by a mark (X). Each square shall be the same size. Above the first name on each ballot shall be printed the words, "Put an (X) in the square opposite the name of each candidate you wish to vote for." At the same level with these words and directly above the squares shall be printed a small arrow pointing downward. Directly underneath the official title of each office shall be printed the words "Vote for one" (or more, according to the number to be elected). ("

Sec. 12. Minnesota Statutes 1983 Supplement, section 204C.-10, subdivision 1, is amended to read:

Subdivision 1. (IN ELECTION PRECINCTS WITH A PERMANENT REGISTRATION SYSTEM.) An individual seeking to vote shall print his name and address on a certificate which states that the individual is at least 18 years of age, a citizen of the United States, has resided in Minnesota for 20 days immediately preceding the election, certifies that he resides at the address shown, is not under guardianship of the person, has not been found by a court of law to be legally incompetent to vote or convicted of a felony without having civil rights restored, is registered and (WILL BE VOTING ONLY IN THAT PRECINCT) *has not already voted in the election.* The individual shall then sign the certificate.

An election judge shall compare the signature on the voter's certificate with the signature as it appears on the duplicate

registration card and the address with the address on the duplicate registration card. If the election judge is satisfied that the signatures are the same, the election judge shall initial the certificate and record the fact of voting on the back of the duplicate registration card. The initialed certificate shall be handed to the voter, who shall deliver it to the election judge in charge of ballots as proof of the right to vote.

Sec. 13. Minnesota Statutes 1982, section 204C.27, is amended to read:

204C.27 [DELIVERY OF RETURNS TO COUNTY AUDITORS.]

One or more of the election judges in each precinct shall deliver two sets of summary statements; all unused and spoiled white, pink, and canary ballots; (ONE ELECTION REGISTER IN COUNTIES WITH NO PERMANENT VOTER REGISTRATION SYSTEM;) and the envelopes containing the white, pink, and canary ballots either directly to the municipal clerk for transmittal to the county auditor's office or directly to the county auditor's office within 24 hours after the end of the hours for voting. One or more election judges shall deliver the remaining set of summary statements and returns, all unused and spoiled municipal ballots, (THE REMAINING ELECTION REGISTER IN COUNTIES WITHOUT A PERMANENT VOTER REGISTRATION SYSTEM,) the envelopes containing municipal ballots, and all other things furnished by the municipal clerk, to the municipal clerk's office within 24 hours after the end of the hours for voting.

Sec. 14. Minnesota Statutes 1983 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. *No later than* two days after the canvassing board declares the results, the secretary of state shall certify the names of the nominees to the county auditors and shall mail to each nominee a notice of nomination.

Sec. 15. Minnesota Statutes 1983 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 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

contribute to 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 establishing a basis for distributing to the counties the money appropriated by the state for white ballot costs. *The appropriation shall be available both years of the biennium and shall be used for all state general and special elections. The secretary of state shall report to the chairmen of the senate finance and house appropriations committees on all money used for special elections.*

Sec. 16. Minnesota Statutes 1982, section 204D.11, subdivision 3, is amended to read:

Subd. 3. [CANARY BALLOT; GRAY BALLOT.] All questions and the names of all candidates for offices to be voted on at the state general election which are not placed on the white ballot shall be placed on a single ballot printed on canary paper which shall be known as the "canary ballot". The canary ballot shall be prepared by the county auditor.

*When the length of the canary ballot would exceed 30 inches, all the judicial offices that are to be placed on the canary ballot may be placed instead on a single separate ballot printed on gray paper. Separate ballot boxes must be provided for these gray ballots.*

Sec. 17. Minnesota Statutes 1983 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 "(BALLOT OF) County and Judicial District Nonpartisan (CANDIDATES) General Election Ballot." *When the canary ballot is divided into two separate ballots as provided in subdivision 3, the ballot printed on canary paper must be headed "County Nonpartisan General Election Ballot" and the ballot printed on gray paper must be headed "Judicial District Nonpartisan General Election Ballot."*

Sec. 18. Minnesota Statutes 1983 Supplement, section 205.175, 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 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. *Cities covered by this subdivision shall certify their election hours to the county auditor upon adoption of the resolution giving notice of the election.*

Sec. 19. Minnesota Statutes 1983 Supplement, section 205.175, 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 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. *Towns covered by this subdivision shall certify their election hours to the county auditor in January of each year.*

Sec. 20. Minnesota Statutes 1982, section 206.15, is amended to read:

**206.15 [MAY BE USED AT ALL ELECTIONS.]**

*Subdivision 1. [GENERAL.]* Where voting machines shall be provided in the manner permitted by law, such voting machines may be used at all elections, insofar as the use of the same is applicable, and not inconsistent with this chapter. If the mechanism of such machines will not permit the voter to record his vote in the manner provided by this chapter said machines may be used in the manner now provided by law so far as is applicable, and as to offices to which such voting machines will not apply, separate paper ballots conforming with the law shall be used. All votes on voting machines shall be recorded and counted and the results thereof ascertained, canvassed and returned as provided by this chapter. When voting machines are used in an election, a reasonable supply of paper ballots and ballot boxes shall be maintained in the possession of the authority charged with the duty of providing ballots for any polling place where voting machines are used. If one or more of the voting machines in any such polling place fails to function during the election, such authority may dispatch paper ballots and ballot boxes to the polling place in such quantity as the authority deems necessary to avoid undue delay occasioned by the machine failure. If paper ballots are used in an election pursuant to this section, they shall be handled, counted, and canvassed in the same manner as absentee ballots. At such time as notification of machine failure is received the officer in charge of supplying ballots shall notify the county headquarters of all major political parties with an office therein or the county chairman of said parties without delay and before said paper ballots are distributed.

*Subd. 2. [GRAY BALLOTS.]* If the number of offices to be voted on exceeds the number that can be accommodated on the voting machine, all the judicial offices to be voted on must be placed on a single separate paper ballot prepared according to law. The separate paper ballot must be headed "Judicial Dis-

*strict Nonpartisan General Election Ballot'* and printed on gray paper. Gray ballots must be distributed to voters, handled, counted, and canvassed in the manner provided by law for precincts using only paper ballots, so far as is practicable. The canvass of the gray paper ballots must not delay the canvass of votes recorded on the voting machines. A separate summary statement may be provided for reporting of the canvass of the gray paper ballots. The returns from the voting machines may be filed as provided in section 206.21 before the canvass of the gray paper ballots is completed. Additional or replacement election judges may be appointed to count the gray paper ballots.

Sec. 21. Minnesota Statutes 1982, section 208.04, subdivision 2, is amended to read:

Subd. 2. The rules for preparation, *state contribution to the cost of printing*, and delivery of presidential ballots (SHALL BE) are the same as the rules for white ballots under section 204D.11, subdivision 1. (THE SECRETARY OF STATE SHALL REIMBURSE THE COUNTIES FOR THE COST OF THE PREPARATION OF THE PRESIDENTIAL BALLOT.)

Sec. 22. [REPEALER.]

*Minnesota Statutes 1982, sections 201.018, subdivision 1; 204C.11; and 204C.30, subdivision 2 are repealed."*

Amend the title as follows:

Page 1, line 8, after "204C.27;" insert "204D.11, subdivision 3; 206.15;"

Page 1, line 11, delete "and"

Page 1, line 12, after "5;" insert "and 205.175, subdivisions 1 and 3;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 1893, A bill for an act relating to commerce; regulating the sale and operation of video gambling devices; defining terms; providing for the licensing of distributors and operators; requiring location agreements; establishing certain fees; pro-

viding for record keeping; prescribing penalties; appropriating money; proposing new law coded in Minnesota Statutes, chapter 349.

Reported the same back with the following amendments:

Page 1, line 21, delete "*gambling devices*" and insert "*games of chance*"

Page 1, line 24, delete "*gambling devices*" and insert "*games of chance*"

Page 1, line 26, delete "*gambling devices*" and insert "*games of chance*" and delete "*these devices*" and insert "*them*"

Page 2, line 2, delete "*gambling devices*" and insert "*games of chance*"

Page 2, line 4, delete "GAMBLING DEVICE" and insert "GAME OF CHANCE"

Page 2, line 4, delete "*gambling device*" and insert "*game of chance*"

Page 2, line 5, delete everything after "*means*"

Page 2, delete lines 6 and 7

Page 2, line 8, delete "*without limitation,*"

Page 2, line 9, delete "*or*"

Page 2, line 10, after "*roulette*" insert "*, or other common gambling forms, though not offering any type of pecuniary award or gain to players*"

Page 2, line 17, delete the semicolon and insert a period

Page 2, delete lines 18 to 20

Page 2, after line 20, insert:

"Subd. 9. [PRIVATE CLUBS.] "*Private clubs are clubs holding club on-sale licenses issued under section 340.11, subdivision 11.*"

Page 2, line 23, delete "*gambling*"

Page 2, line 24, delete "*devices*" and insert "*games of chance*"

Page 3, line 13, delete "*gambling device*" and insert "*game of chance*"

Page 3, line 19, delete "*gambling devices*" and insert "*games of chance*"

Page 4, line 7, delete "GAMBLING" and insert "GAME OF CHANCE"

Page 4, line 11, delete "*gambling device*" and insert "*game of chance*"

Page 4, line 11, delete the second "*device*" and insert "*game*"

Page 4, line 14, delete "*gambling device*" and insert "*game of chance*"

Page 4, line 17, delete "*device*" and insert "*game*"

Page 4, line 20, delete "GAMBLING" and insert "GAMING"

Page 4, line 22, delete "*gambling*" and insert "*gaming*"

Page 4, line 24, delete everything after the period

Page 4, delete lines 25 to 27 and insert "*The commissioner shall, by January 10 of each year, certify to the state treasurer the number of video games of chance located in each city, and in each county outside of incorporated areas, on December 31 of the previous year. Within ten days of receiving this certification the state treasurer shall pay from the video gaming license account to each city and county \$30 for each video game of chance located in the city or in the county outside city limits. After making these payments he shall transfer the unexpended balance in the account to the general fund.*"

Page 4, line 28, delete "*must*" and insert "*may*"

Page 4, line 29, delete "*gambling devices*" and insert "*games of chance*"

Page 4, line 33, delete "*gambling devices*" and insert "*games of chance*"

Page 4, line 36, delete "*gambling devices*" and insert "*games of chance*"

Page 5, line 3, delete "*gambling devices*" and insert "*games of chance*"

Page 5, line 18, delete "DEVICES" and insert "GAMES"

Page 5, line 20, delete "*gambling devices*" and insert "*games of chance*" and delete the second "*devices*" and insert "*games*"

Page 5, line 22, delete "DEVICE" and insert "GAME"

Page 5, line 24, delete "*device*" and insert "*game or in connection with the operation of any device*"

Page 5, line 25, delete "*device*" and insert "*game*"

Page 5, line 26, after the period insert "*Any game canceling replays or credits must cancel them no more than one at a time.*"

Page 5, line 29, delete "*device*" and insert "*game*"

Page 5, line 30, delete "*device*" and insert "*game*"

Page 5, line 36, delete the first "*the*" and insert "*each*"

Page 6, line 6, delete "*gambling devices*" and insert "*games of chance*"

Page 6, line 7, delete "*gambling devices*" and insert "*games of chance*"

Page 6, line 8, after "*on-sale*" insert "*intoxicating*"

Page 6, line 16, delete "*gambling devices*" and insert "*games of chance*"

Page 6, line 18, delete "*gambling devices*" and insert "*games of chance*"

Page 6, line 19, delete "*gambling devices*" and insert "*games of chance*"

Page 6, line 22, delete "*device*" and insert "*game*"

Page 6, line 24, delete "*gambling devices*" and insert "*games of chance*"

Page 6, line 26, delete "*gambling devices*" and insert "*games of chance*"

Page 7, after line 26, insert:

"Sec. 11. [349.60] [CONSTRUCTION; OTHER ACTIONS.]

*Subdivision 1. [CONSTRUCTION.] Nothing in sections 1 to 11 authorizes any activity in connection with video games of*



*chance which violates sections 349.30 to 349.31 or 609.75 to 609.76.*

*Subd. 2. [OTHER ACTIONS.] Nothing in sections 1 to 11 precludes civil or criminal actions under any other applicable law or precludes any agency of government from investigating or prosecuting violations of sections 1 to 11 or any law relating to gambling."*

Amend the title as follows:

Page 1, line 3, delete "gambling devices" and insert "games of chance"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1896, A bill for an act relating to insurance; regulating insurance claims settlement; defining terms; prescribing penalties; providing for the venue for certain injunction proceedings; amending Minnesota Statutes 1982, sections 72A.20, subdivisions 11 and 12; 72A.23, subdivision 1; and 72A.25, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 72A.

Reported the same back with the following amendments:

Page 1, line 15, strike "10" and insert "15"

Page 1, line 20, delete the new language

Pages 1 and 2, delete section 2 and insert:

"Sec. 2. Minnesota Statutes 1982, section 72A.20, subdivision 12, is amended to read:

Subd. 12. [UNFAIR SERVICE.] Causing or permitting with such frequency to indicate a general business practice (THE CLAIMS AND COMPLAINTS OF INSURED TO BE PROCESSED IN AN UNREASONABLE LENGTH OF TIME, OR IN AN UNFAIR, DECEPTIVE, OR FRAUDULENT MANNER, OR IN VIOLATION OF SUCH RULES AS THE COMMISSIONER OF INSURANCE SHALL MAKE IN THE PUBLIC INTEREST TO INSURE THE PROMPT, FAIR, AND HONEST PROCESSING OF SUCH CLAIMS AND COM-

PLAINTS, SHALL CONSTITUTE AN UNFAIR METHOD OF COMPETITION AND AN UNFAIR AND DECEPTIVE ACT OR PRACTICE) *any unfair, deceptive, or fraudulent act concerning any claim or complaint of an insured or claimant including, but not limited to, the following practices:*

(1) *misrepresenting pertinent facts or insurance policy provisions relating to coverages at issue;*

(2) *failing to acknowledge and act reasonably promptly upon communications with respect to claims arising under insurance policies;*

(3) *failing to adopt and implement reasonable standards for the prompt investigation of claims arising under insurance policies;*

(4) *refusing to pay claims without conducting a reasonable investigation based upon all available information;*

(5) *failing to affirm or deny coverage of claims within a reasonable time after proof of loss statements have been completed;*

(6) *not attempting in good faith to effectuate prompt, fair, and equitable settlements of claims in which liability has become reasonably clear;*

(7) *compelling insureds to institute litigation to recover amounts due under an insurance policy by offering substantially less than the amounts ultimately recovered in actions brought by the insureds;*

(8) *attempting to settle a claim for less than the amount to which a reasonable person would have believed he or she was entitled by reference to written or printed advertising material accompanying or made part of an application;*

(9) *attempting to settle claims on the basis of an application which was altered without notice to, or knowledge or consent of, the insured;*

(10) *making claims payments to insureds or beneficiaries not accompanied by a statement setting forth the coverage under which the payments are being made;*

(11) *making known to insureds or claimants a policy of appealing from arbitration awards in favor of insureds or claimants for the purpose of compelling them to accept settlements or compromises less than the amount awarded in arbitration;*

(12) *delaying the investigation or payment of claims by requiring an insured, claimant, or the physician of either to*

*submit a preliminary claim report and then requiring the subsequent submission of formal proof of loss forms, both of which submissions contain substantially the same information;*

*(13) failing to promptly settle claims, where liability has become reasonably clear, under one portion of the insurance policy coverage in order to influence settlements under other portions of the insurance policy coverage;*

*(14) failing to promptly provide a reasonable explanation of the basis in the insurance policy in relation to the facts or applicable law for denial of a claim or for the offer of a compromise settlement."*

Page 2, delete line 5 and insert:

"Sec. 3. Minnesota Statutes 1982, section 72A.20, is amended by adding a subdivision to read:

*Subd. 12a. [CLAIMS SETTLEMENT.] (a) [ADMINISTRATIVE ENFORCEMENT.] The commissioner may, in accordance with chapter 14, adopt rules to ensure the prompt, fair, and honest processing of claims and complaints. The commissioner may, in accordance with sections 72A.22 to 72A.25, seek and impose appropriate administrative remedies, including fines, for (1) a violation of this subdivision or the rules adopted pursuant to this subdivision; or (2) a violation of section 72A.20, subdivision 12. The commissioner need not show a general business practice in taking an administrative action for these violations.*

*No individual violation constitutes an unfair, discriminatory, or unlawful practice in business, commerce, or trade for purposes of section 8.31."*

Page 2, line 6, delete "Subdivision 1." and insert "(b)"

Page 2, line 8, delete "section" and insert "subdivision,"

Page 2, line 8, delete "the effect and"

Page 2, delete lines 9 and 10 and insert "all pertinent facts and circumstances in determining the severity and appropriateness of the action to be taken in regard to any violation of this subdivision.

*The magnitude of the harm to the claimant or insured, and any actions by the insured, claimant, or insurer that mitigate or exacerbate the impact of the violation may be considered.*

*Actions of the claimant or insured which impeded the insurer in processing or settling the claim, and actions of the insurer*

*which increased the detriment to the claimant or insured may also be considered in determining the appropriate administrative action to be taken."*

Page 2, line 11, delete "Subd. 2." and insert "(c)"

Page 2, line 11, delete "section" and insert "subdivision"

Page 2, line 13, delete "(a)" and insert "(1)"

Page 2, line 15, delete "(b)" and insert "(2)"

Page 2, line 18, delete "(c)" and insert "(3)"

Page 2, line 27, delete "(d)" and insert "(4)"

Page 2, line 33, delete "(e)" and insert "(5)"

Page 3, line 2, delete "(f)" and insert "(6)"

Page 3, line 4, delete "(g)" and insert "(7)"

Page 3, line 11, delete "(h)" and insert "(8)"

Page 3, line 17, delete "(i)" and insert "(9)"

Page 3, line 22, delete "(j)" and insert "(10)"

Page 3, line 25, delete "(k)" and insert "(11)"

Page 3, line 31, delete "(l)" and insert "(12)"

Page 3, line 34, delete "(m)" and insert "(13)"

Page 4, line 2, delete "(n)" and insert "(14)"

Page 4, line 13, delete "Subd. 3." and insert "(d)"

Page 4, delete lines 17 to 27 and insert:

*"(1) except for claims made under a health insurance policy, after receiving notification of claim from an insured or a claimant, failing to acknowledge receipt of the notification of the claim within ten business days, and failing to promptly provide all necessary claim forms and instructions to process the claim, unless the claim is settled within ten business days. The acknowledgment must include the telephone number of the company representative who can assist the insured or the claimant in providing information and assistance that is reasonable so that the insured or claimant can comply with the policy conditions and*

*the insurer's reasonable requirements. If an acknowledgment is made by means other than writing, an appropriate notation of the acknowledgment must be made in the claim file of the insurer and dated. An appropriate notation must include at least the following information where the acknowledgment is by telephone or oral contact:*

*(i) the telephone number called, if any;*

*(ii) the name of the person making the telephone call or oral contact;*

*(iii) the name of the person who actually received the telephone call or oral contact;*

*(iv) the time of the telephone call or oral contact; and*

*(v) the date of the telephone call or oral contact;"*

Page 4, line 34, after "30" insert "business"

Page 5, line 4, before the semicolon insert ". For claims made under a health policy the notification of claim must be in writing"

Page 5, delete lines 15 to 17

Renumber the remaining clauses in sequence

Page 5, line 32, before the semicolon insert ". For the purposes of this clause, any claim on which the insurer has received no communication from the insured or claimant for a period of two years preceding the expiration of the applicable statute of limitations shall not be considered to be known to be unresolved and notice need not be sent pursuant to this clause"

Page 6, line 11, after "falsified" insert "by the agent or insurer"

Page 6, line 22, delete "Subd. 4." and insert "(e)"

Page 7, line 26, delete "Subd. 5." and insert "(f)"

Page 7, line 28, delete "subdivisions 3, 4, 6, 7, and 8" and insert "paragraphs (d), (e), (g), (h), and (i)"

Page 10, line 17, delete "Subd. 6." and insert "(g)"

Page 10, line 28, delete "Subd. 7." and insert "(h)"

Page 10, line 33, delete "specific"

Page 11, line 9, delete "(a)" and insert "(i)"

Page 11, line 10, delete "(b)" and insert "(ii)"

Page 11, line 14, delete "(c)" and insert "(iii)"

Page 11, line 17, delete "(a)" and insert "(i)" and delete "after"

Page 11, line 18, delete "proof of loss was submitted"

Page 11, line 20, delete "(b)" and insert "(ii)"

Page 11, line 22, delete "Subd. 8." and insert "(i)"

Page 12, line 14, delete "Subd. 9." and insert "(j)"

Page 12, line 14, delete "section" and insert "subdivision"

Page 12, line 15, delete "section" and insert "subdivision"

Page 12, after line 19, insert "Whenever it appears to the commissioner that any person has engaged or is about to engage in any act or practice constituting a violation of this chapter or any rule or order hereunder:

(a) He may issue and cause to be served upon the person an order requiring the person to cease and desist from violations of section 72A.19 or 72A.20. The order must be calculated to give reasonable notice of the rights of the person to request a hearing thereon and must state the reasons for the entry of the order. A hearing must be held not later than seven days after the request for the hearing is received by the commissioner after which and within 20 days of the date of the hearing the commissioner shall issue a further order vacating the cease and desist order or making it permanent as the facts require. If no hearing is requested within 30 days of service of the order, the order will become final and will remain in effect until it is modified or vacated by the commissioner. All hearings must be conducted in accordance with chapter 14. If the person to whom a cease and desist order is issued fails to appear at the hearing after being duly notified, the person shall be deemed in default, and the proceeding may be determined against him upon consideration of the cease and desist order, the allegations of which may be deemed to be true. The commissioner may adopt rules of procedure concerning all proceedings conducted pursuant to this subdivision; and

(b)"

Page 12, line 22, delete the new comma

Page 12, line 23, delete "72A.201"

Page 12, line 23, delete the first comma and insert "or" and delete the second comma

Page 12, line 24, delete "or 72A.201"

Page 12, line 33, delete "or 72A.201,"

Amend the title as follows:

Page 1, line 6, delete "and" and insert a comma and after "12" insert ", and by adding a subdivision"

Page 1, line 7, delete "; proposing"

Page 1, line 8, delete everything before the period

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. 1910, A bill for an act relating to agriculture; regulating the bulk sale of food; proposing new law coded in Minnesota Statutes, chapter 31.

Reported the same back with the following amendments:

Page 1, line 9, delete "12" and insert "11"

Page 1, line 12, after "unprocessed" insert", frozen or unfrozen"

Page 3, line 6, after "used" insert "in a manner as"

Page 3, line 20, delete the second "and"

Page 3, line 21, delete the period and insert "; and"

Page 3, after line 21, insert:

"(4) dispensing by store personnel."

Page 4, line 12, delete everything after the period

Page 4, delete lines 13 to 18

Page 5, line 5, delete everything after "sanitized" and insert "at least daily or at more frequent intervals based on the type of food and the"

Page 5, line 6, delete "subject to"

Page 5, delete lines 20 to 23

Page 5, delete section 11 and renumber the following section

Page 6, line 2, after "disease" insert "or foreign matter"

Page 6, lines 4, 6, and 9, delete "11" and insert "10"

Page 6, line 5, after "adopt" insert "temporary or permanent"

Page 6, line 7, after "diseases" insert "or foreign matter"

Page 6, after line 9, insert:

"Sec. 12. [31.895] [LOCAL STANDARDS.]

*No local unit of government may adopt standards governing persons, facilities, or activities covered by sections 1 to 11 which are more stringent than those set in sections 1 to 11."*

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. 1914, A bill for an act relating to public welfare; clarifying the commissioner's rulemaking authority; amending Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2.

Reported the same back with the following amendments:

Page 4, delete lines 27 to 29 and insert:

*"(15) The commissioner may adopt permanent rules under chapter 14 that are necessary to carry out the duties of the department of public welfare. The commissioner shall notify the*



*legislature of intent to promulgate a rule under this section. The notice shall state the subject matter of the rule and the duties of the department of public welfare to be carried out by promulgation of the rule. The appropriate standing committees of each house of the legislature may conduct public hearings for the purposes of examining the need for the rule and providing advice with respect to the policies to be promoted by the rule. If the appropriate standing committee of either house determines that the subject matter of the rule is such that a specific grant of rule-making authority by the legislature should be required, the commissioner shall not promulgate the rule under this section."*

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1929, A bill for an act relating to agriculture; changing procedures for weighing livestock; imposing a penalty; appropriating money; amending Minnesota Statutes 1982, sections 17A.03, by adding subdivisions; 17A.04, subdivisions 1, 6, 7, and 8; 17A.05; 17A.07; 17A.10; 17A.11; and 17A.12; Minnesota Statutes 1983 Supplement, section 17A.06, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 17A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

*Subd. 13. [STATE LIVESTOCK WEIGHMASTER.] "State livestock weighmaster" means a person employed by the department and appointed by the commissioner to weigh livestock and issue official certificates of state weight.*

Sec. 2. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

*Subd. 14. [PUBLIC LIVESTOCK WEIGHER.] "Public livestock weigher" means a person employed by the company and registered with the commissioner to be responsible and accountable for weighing and recording the weights of livestock.*

Sec. 3. Minnesota Statutes 1982, section 17A.03, is amended by adding a subdivision to read:

*Subd. 15. [COMMERCIAL LIVESTOCK SCALE.] "Commercial livestock scale" means a livestock scale or monorail scale used in the purchase or sale of livestock or livestock carcasses. For purposes of this subdivision, "livestock scale" means a scale equipped with stock racks and gates and adapted to weighing single or multiple heads of livestock standing on the scale platform, and "monorail scale" means a scale, also called an abattoir scale, a track scale, or a rail scale, the load receiving element of which is part of a monorail conveyor system and which is used primarily for the weighing of livestock carcasses.*

Sec. 4. Minnesota Statutes 1982, section 17A.04, subdivision 1, is amended to read:

Subdivision 1. [LICENSING PROVISIONS.] Licenses shall be issued to livestock market agencies and public stockyards annually and shall expire on December 31 each year, renewable annually thereafter. The license issued to a livestock market agency and public stockyard shall be conspicuously posted at the licensee's place of business. Licenses shall be required for livestock dealers and their agents for the period beginning July 1 each year and ending June 30. The license issued to a livestock dealer or the agent of a livestock dealer shall be carried by the person so licensed. The livestock dealer shall be responsible for the acts of his agents. *Licensed livestock market agencies, public stockyards, and livestock dealers shall be responsible for the faithful performance of duty of the public livestock weighers at their places of business.* The license issued to a livestock market agency, public stockyard or a livestock dealer or agent of a livestock dealer is not transferable. The operation of livestock market agencies, livestock dealers, agents and packers at a public stockyard are exempt from sections 17A.01 to 17A.09, 17A.12 to 17A.15, and 239.27.

Sec. 5. Minnesota Statutes 1982, section 17A.04, subdivision 6, is amended to read:

Subd. 6. [REFUSAL TO LICENSE.] The commissioner shall refuse to issue a *livestock market agency or livestock dealer* license if the applicant has not filed a surety bond in the form and amount required under sections 17A.04 and 17A.05; the commissioner may refuse to issue a license if the applicant (1) has not satisfactorily demonstrated by a current balance sheet and financial statement that the applicant's assets exceed his liabilities; (2) has been found by the department to have failed to pay, without reasonable cause, obligations incurred in connection with livestock transactions; (OR) (3) has failed to *maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights; or (4) has failed to comply with*

other statutes (OR), rules, or regulations enforced by the commissioner (OR), the board of animal health, *the division of weights and measures of the department of public service, or the federal Packers and Stockyards Administration.*

Sec. 6. Minnesota Statutes 1982, section 17A.04, subdivision 7, is amended to read:

Subd. 7. [REVOCATION OF LICENSE.] Whenever the commissioner finds that any livestock market agency or livestock dealer has violated the provisions of (SECTIONS 17A.04, 17A.05, 17A.07, or 17A.08) *this chapter, or has failed to comply with other laws, rules, or regulations enforced by the board of animal health, the division of weights and measures of the department of public service, or the federal Packers and Stockyards Administration, the commissioner may, by order, pursuant to the provisions of chapter 14, and this subdivision, revoke the license of the offender. Before any such license shall be revoked, the licensee shall be furnished with a statement of the complaints made against him, and a hearing shall be had before the commissioner upon at least ten days notice to the licensee to determine whether such license shall be revoked, which notice may be served either by certified mail addressed to the address of the licensee as shown in his application or in the manner provided by law for the service of a summons. At the time and place fixed for hearing, the commissioner or any official, employee or agent of the department authorized by the commissioner, shall receive evidence, administer oaths, examine witnesses, hear the testimony and thereafter file an order either dismissing the proceedings or revoking the license.*

Sec. 7. Minnesota Statutes 1982, section 17A.04, subdivision 8, is amended to read:

Subd. 8. [SUSPENSION OF LICENSE.] Whenever the commissioner finds that the licensee has violated (THE) provisions of (SECTIONS 17A.04, 17A.05, 17A.07, OR 17A.08) *this chapter, or has failed to comply with other laws, rules, or regulations enforced by the board of animal health, the division of weights and measures of the department of public service, or the Federal Packers and Stockyards Administration, and that the continued activity of a licensee may cause irreparable injury or loss to persons engaged in business with the licensee, the commissioner may, without hearing, suspend the license of the licensee, provided that when a license is so suspended, the commissioner shall immediately initiate procedures to afford the licensee a hearing pursuant to subdivision 7 except that the ten days notice required in subdivision 7 may be waived by the licensee.*

Sec. 8. Minnesota Statutes 1982, section 17A.05, is amended to read:

17A.05 [AMOUNT OF BONDS.]

Subdivision 1. [LIVESTOCK MARKET AGENCIES.] The amount of each livestock market agency bond filed with the commissioner shall be not less than \$10,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall be executed on a Packers and Stockyards Act form and shall contain the condition clause applicable when the principal sells on commission. A bond equivalent (IN THE FORM OF A TRUST FUND AGREEMENT) executed in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.) (SHALL BE) is acceptable.

Subd. 2. [LIVESTOCK DEALERS.] The amount of each livestock dealer bond filed with the commissioner shall be not less than \$5,000 or such larger amount as required, based on the commissioner's consideration of the principal's financial statement, the volume of business he reports, or any other factor the commissioner deems pertinent for the protection of the public. Each such bond shall contain the condition clause applicable when the principal buys on commission or as a dealer. A livestock dealer's bond shall be executed on a form furnished by the commissioner or in accordance with the Packers and Stockyards Act, 1921, as amended, (7 U.S.C. 181 et seq.).

(IF THE) *When a bond is executed on a state form furnished by the commissioner, the bond shall be for the protection of both the buyer and the seller named in the transaction when the principal fails to pay when due for livestock purchased or sold for his own account or the account of others and shall be limited to the protection of claimants whose residence or principal place of livestock business is in the state of Minnesota at the time of the transaction. If the bond is filed on a form in accordance with the Packers and Stockyards Act, the bond shall cover claimants regardless of place of residence.*

Sec. 9. Minnesota Statutes 1983 Supplement, section 17A.06, subdivision 3, is amended to read:

Subd. 3. [(LEGAL) PUBLIC NOTICE.] Prior to a hearing, the commissioner shall (NOTIFY BY CERTIFIED MAIL ALL KNOWN POTENTIAL CLAIMANTS AND) publish a notice setting forth the default of the licensee and requiring all claimants to file proof of claim with the commissioner within (THREE MONTHS) *45 days* of the date such notice is published or be barred from participating in the proceeds of the bond. Such publication shall be made (FOR THREE CONSECUTIVE WEEKS) in a newspaper published (AT THE COUNTY SEAT OF) *in* the county in which the licensee has his principal place of business. The commissioner shall also fulfill any notice requirements prescribed by chapter 14 and rules of the office of administrative hearings. No claim shall be allowed unless it is filed with the commissioner within one year of the date of the

transaction. If a livestock market agency or livestock dealer has on file a Packers and Stockyards Act bond and is registered with the Packers and Stockyards Administration, the terms of the bond or that federal agency's regulations will control (IN DETERMINING THE TIME FOR FILING CLAIMS).

Sec. 10. Minnesota Statutes 1982, section 17A.07, is amended to read:

**17A.07 [PROHIBITED CONDUCT.]**

It shall be unlawful for any person to (1) carry on the business of a livestock market agency (OR), livestock dealer, or *public stockyard* without a valid and effective license issued by the commissioner under the provisions of section 17A.04; (2) carry on the business of a livestock market agency or livestock dealer without filing and maintaining a valid and effective surety bond in conformity with sections 17A.04 and 17A.05; (3) carry on the business of a livestock market agency or livestock dealer if he cannot pay his debts as they become due or ceases to pay his debts in the ordinary course of business as they become due; (4) *use or allow to be used any livestock scale or monorail scale which has not been certified and approved for official use or has been found to be inaccurate; (5) fail to maintain and operate livestock or monorail scales in a manner to ensure accurate and correct weights; (6) weigh livestock or carcasses at other than true and correct weights or issue accounts and records on the basis of inaccurate or incorrect weights; (7) engage in or use any unfair or deceptive practice or device in connection with marketing of livestock; ((5)) (8) willfully make or cause to be made any false entry or statement of fact in any application, financial statement or report filed with the department under (THE PROVISIONS OF SECTIONS 17A.04, 17A.05 AND 17A.08) this chapter.*

Sec. 11. Minnesota Statutes 1982, section 17A.10, is amended to read:

**17A.10 [(PACKING PLANTS,) LIVESTOCK (MARKET AGENCIES) SCALES AND (STOCKYARDS; WEIGHERS) WEIGHING.]**

*Subdivision 1. [COMMERCIAL LIVESTOCK SCALES.] All livestock scales and monorail scales used for the purpose of buying or selling livestock or livestock carcasses within the state must meet the construction, maintenance, testing, and certification requirements of the division of weights and measures of the department of public service, and be in compliance with the scales and weighing regulations of the Packers and Stockyards Administration of the United States Department of Agriculture and be tested and certified by the state division of weights and measures. The division of weights and measures or an authorized*

*scale company shall test all livestock scales at least twice per year. The department of agriculture shall perform scale maintenance inspections at least twice per year at intervals that will provide alternate testing or inspection of each scale every 90 days. Special tests may be required as necessary. The basic maintenance tolerance for livestock scales is one pound per 1,000 pounds of test load. The responsibility for compliance of a scale with these requirements rests with the owner or manager of the scale.*

*Subd. 2. [STATE LIVESTOCK WEIGHMASTERS.] The commissioner shall appoint (AT PUBLIC STOCKYARDS, PACKING PLANTS, SLAUGHTERING HOUSES, BUYING STATIONS, OR LIVESTOCK MARKET AGENCIES WHERE THE AVERAGE DAILY NUMBER OF LIVESTOCK WEIGHED FOR THE PURPOSE OF ESTABLISHING A BASIS FOR SALE IS 500 HEAD OR MORE, AND THE COMMISSIONER MAY APPOINT) state employees as necessary to provide state weighing service at public stockyards, packing plants, slaughtering houses, buying stations, or livestock market agencies on application from (SUCH FACILITIES WHERE THE AVERAGE DAILY NUMBER OF LIVESTOCK WEIGHED FOR THE PURPOSE OF ESTABLISHING A BASIS FOR SALE IS LESS THAN 500 HEAD, SUCH WEIGHERS AS MAY BE NECESSARY FOR WEIGHING LIVESTOCK, PROVIDED THAT NO WEIGHERS SHALL BE REQUIRED AT FACILITIES WHERE THE ONLY LIVESTOCK HANDLED HAS BEEN PREVIOUSLY PURCHASED OR ACQUIRED, AND TITLE OR TERMS OF OWNERSHIP ALREADY ESTABLISHED. THE COMMISSIONER SHALL PRESCRIBE AND FOLLOW SUCH REASONABLE REGULATIONS AS HE DEEMS NECESSARY FOR DETERMINING SUCH DAILY AVERAGE. SUCH WEIGHERS) the business entity requesting official state livestock weighing. State livestock weighmasters shall weigh all livestock coming to these places for sale, (AND) keep a record (THEREOF. UPON REQUEST, THE WEIGHERS SHALL) of the weights, and furnish the interested parties a certificate (SETTING FORTH) of state weight stating the number of animals weighed and the (ACTUAL) weight of (SUCH ANIMAL OR) the animals. (SUCH) The certificate (SHALL BE) is prima facie evidence of the facts (THEREIN) certified. (THE SCALES AT ALL SUCH PLACES ON WHICH LIVESTOCK IS WEIGHED SHALL BE CONSTRUCTED AND MAINTAINED IN ACCORDANCE WITH THE REQUIREMENTS OF THE STATE DIVISION OF WEIGHTS AND MEASURES, AND BE TESTED UP TO THE MAXIMUM DRAFT THAT MAY BE WEIGHED THEREON, AT LEAST ONCE EVERY 90 DAYS, AND BE IN COMPLIANCE WITH ALL THE STATUTORY REQUIREMENTS AND REGULATIONS ADOPTED BY THE STATE DIVISION OF WEIGHTS AND MEASURES PERTAINING TO LIVESTOCK SCALES AND WEIGHING.) An application for official state livestock weighing constitutes an agreement between the business entity requesting state weigh-*

*ing and the commissioner. The agreement is for one year beginning July 1 and ending the following June 30th. The agreement automatically renews each year unless a written notice of intent to terminate is given to the commissioner at least 90 days prior to July 1. Otherwise the commissioner shall continue to provide state weighing services in accordance with this chapter.*

*Whenever the management of a facility under state weighing exercises its option to terminate state weighing service, the state livestock weighmasters must be given the opportunity to continue in their livestock weighing positions with the company until those positions become vacated or terminated.*

*Subd. 3. [SUPERVISION AND ENFORCEMENT.] State livestock weighmasters have charge over the scales on which official certificates of state weight are issued to ensure compliance with scale maintenance and testing requirements and proper weighing procedures.*

*The commissioner shall appoint law compliance personnel as necessary to provide maintenance inspections, check-weighing, comparison weighing, and record audits and to investigate complaints in order to enforce this chapter.*

*The regulations pertaining to livestock and monorail scales adopted by the Packers and Stockyards Administration of the United States Department of Agriculture are applicable in Minnesota, and a memorandum of understanding with the Packers and Stockyards Administration provides for a cooperative state and federal enforcement program.*

Sec. 12. Minnesota Statutes 1982, section 17A.11, is amended to read:

#### 17A.11 [FEES FOR LIVESTOCK WEIGHING.]

The commissioner shall prescribe the fee necessary to cover the cost of (SUCH) state weighing, to be assessed and collected from the seller in (SUCH) the manner (AS) the commissioner may prescribe (; PROVIDED, THAT). The fee assessed *must* be the same, and the manner of collection (THEREOF) of the fee *must* be uniform at all facilities (, AND PROVIDED, FURTHER, THAT IF). At any location, except a public stockyard, where state weighing is performed in accordance with (LAWS 1974, CHAPTER 347) *this chapter* and the total annual fees collected are insufficient to pay the cost of (SUCH) the weighing, the annual deficit shall be assessed and collected in (SUCH) the manner (AS) the commissioner may prescribe. Additional (MONEYS) money arising from the weighing of animals by the commissioner, which (HAVE) *has* been collected and retained by any person, shall be paid on demand to the commissioner. All (MONEYS) money collected by the commissioner shall be deposited in the state treasury and credited

to the livestock weighing fund, and shall be paid out only on the order of the commissioner and the state's warrant.

Sec. 13. Minnesota Statutes 1982, section 17A.12, is amended to read:

17A.12 [QUALIFICATIONS.]

No (WEIGHER) *state livestock weighmaster* shall, during (HIS) *the weighmaster's* term of service, be in any manner financially interested in the handling, shipping, purchase, or sale of livestock (, NOR) or in the employment of any person engaged therein.

*Public livestock weighers must be at least 18 years of age, be of good character, and possess the knowledge and ability to assume the responsibility to determine and accurately record the weight of livestock drafts without prejudice or favor to any person or agency and without regard for livestock ownership, price, condition, fill, shrink, or other considerations, in accordance with the scale and weighing instructions of the Packers and Stockyards Administration of the United States Department of Agriculture and the rules adopted by the commissioner.*

*Any public stockyard, packing plant or slaughtering house, buying station, livestock market agency, livestock dealer, or owner of commercial livestock scales not having state livestock weighmasters shall appoint public livestock weighers, register them with the commissioner, and provide the commissioner with a signed copy of the United States Department of Agriculture, Packers and Stockyards Administration, "Weighers Acknowledgement and Agreement."*

Sec. 14. [17A.17] [AUDIT BY DEPARTMENT.]

*The department may audit records, including incoming purchase records of a livestock packer and shipping weights or transfer of weight invoices, in order to ensure there are no weight discrepancies in hot weight or grade and yield transactions.*

Sec. 15. [APPROPRIATION.]

*There is appropriated from the general fund to the commissioner of agriculture the additional sum of \$60,000 for the biennium ending June 30, 1985, for purposes of enforcement and implementation of this act. The complement of the livestock licensing and weighing division is increased by two.*

Sec. 16. [EFFECTIVE DATE.]

*This act is effective July 1, 1984."*



Delete the title and insert:

"A bill for an act relating to agriculture; changing procedures for weighing livestock; imposing a penalty; appropriating money; amending Minnesota Statutes 1982, sections 17A.03, by adding subdivisions; 17A.04, subdivisions 1, 6, 7, and 8; 17A.05; 17A.07; 17A.10; 17A.11; and 17A.12; Minnesota Statutes 1983 Supplement, section 17A.06, subdivision 3; proposing new law coded in Minnesota Statutes, chapter 17A."

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. 1930, A bill for an act relating to agriculture; providing for an additional extension agent; proposing new law coded in Minnesota Statutes, chapter 38.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1.

*The dean of the institute of agriculture of the University of Minnesota or his delegated representative shall, in accordance with county and university personnel administration procedures, employ a suitable and qualified person to work as full-time county extension agent in Grant County.*

Sec. 2.

*County extension agents shall be appointed to work half time in the counties of Lake of the Woods, Pennington, Red Lake, Steele, and Waseca.*

Sec. 3.

*One full-time county extension agent shall be appointed to serve Benton and Stearns counties.*

Sec. 4.

*One full-time county extension agent shall be appointed to develop and implement an educational and applied research*

*program for Chisago, Isanti, Kanabec, Mille Lacs, Pine, and Sherburne counties.*

Sec. 5.

*One irrigation engineer shall be reinstated at the Staples AVTI and one irrigation engineer shall be reinstated in Pope County.*

Sec. 6. [APPROPRIATIONS.]

*\$10,000 is appropriated from the general fund in the state treasury to the University of Minnesota for the purposes of section 1. \$. . . . . is appropriated from the general fund in the state treasury to the University of Minnesota for the purposes of sections 2 to 5. These appropriations are for the fiscal year ending June 30, 1985."*

Amend the title as follows:

Page 1, line 2, delete "an"

Page 1, line 3, delete everything after "extension" and insert "agents"

Page 1, line 4, delete everything before the period

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1967, A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.812, subdivisions 4 and 7, and by adding subdivisions; and 462.357, subdivisions 7, 8, and by adding subdivisions.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 245.783, is amended by adding a subdivision to read:

*Subd. 7. When issuing new licenses pursuant to this section, the commissioner shall implement a policy preference for residential facilities serving less than 17 individuals who are mentally retarded.*

Sec. 2. Minnesota Statutes 1982, section 245.812, is amended by adding a subdivision to read:

*Subd. 2a. It is the policy of this state that handicapped persons and children should not be excluded by municipal zoning ordinances or other land use regulations from the benefits of normal residential surroundings.*

Sec. 3. Minnesota Statutes 1982, section 245.812, subdivision 3, is amended to read:

Subd. 3. A licensed residential facility serving six or fewer persons or a licensed day care facility serving (TEN) 12 or fewer persons shall be considered a permitted single family residential use of property for the purposes of zoning.

Sec. 4. Minnesota Statutes 1982, section 245.812, subdivision 4, is amended to read:

Subd. 4. (UNLESS OTHERWISE PROVIDED IN ANY TOWN, MUNICIPAL OR COUNTY ZONING REGULATION,) A licensed (DAY CARE OR) residential facility serving from seven through sixteen persons or a licensed day care facility serving from 13 through 16 persons shall be considered a permitted multi-family residential use of property for purposes of zoning. (A TOWNSHIP, MUNICIPAL OR COUNTY ZONING AUTHORITY MAY REQUIRE A CONDITIONAL USE OR SPECIAL USE PERMIT IN ORDER TO ASSURE PROPER MAINTENANCE AND OPERATION OF A FACILITY, PROVIDED THAT NO CONDITIONS SHALL BE IMPOSED ON THE HOMES WHICH ARE MORE RESTRICTIVE THAN THOSE IMPOSED ON OTHER CONDITIONAL USES OR SPECIAL USES OF RESIDENTIAL PROPERTY IN THE SAME ZONES, UNLESS SUCH ADDITIONAL CONDITIONS ARE NECESSARY TO PROTECT THE HEALTH AND SAFETY OF THE RESIDENTS OF THE FACILITY. NOTHING HEREIN SHALL BE CONSTRUED TO EXCLUDE OR PROHIBIT RESIDENTIAL HOMES FROM SINGLE FAMILY ZONES IF OTHERWISE PERMITTED BY A LOCAL ZONING REGULATION.)

Sec. 5. Minnesota Statutes 1982, section 245.812, is amended by adding a subdivision to read:

*Subd. 4a. Unless otherwise provided in any town, municipal, or county zoning regulation as authorized by this subdivision, a licensed day care or residential facility serving from 17 through 25 persons shall be considered a permitted multi-family residential use of property for purposes of zoning. A township, municipal, or county zoning authority may require a conditional use or special use permit, provided that no standards shall be used which are more restrictive than those used with respect to other uses of residential property in the same zones. The zoning authority may require a periodic review of the permit if required of all conditional use or special use permits. Nothing in this subdivision shall be construed to exclude or prohibit residential facilities from any zoning district if otherwise permitted by a local zoning regulation.*

**Sec. 6. Minnesota Statutes 1982, section 245.812, subdivision 7, is amended to read:**

**Subd. 7. (a) Residential facilities for adult mentally ill persons established on or before July 1, 1980, are exempt from the requirements of this section until July 1, (1984) 1985. (THE COMMISSIONER SHALL DEVELOP A MECHANISM FOR ENSURING FULL COMPLIANCE WITH THIS SECTION BY RESIDENTIAL FACILITIES FOR ADULT MENTALLY ILL PERSONS BY JULY 1, 1984.)**

*(b) Before January 1, 1985, each county having one or more group residential facilities within 1,320 feet of any existing group residential facility shall submit to the department of public welfare a plan to promote dispersal of group residential facilities. In formulating its plan, the county shall solicit the participation of affected persons, facilities, municipalities having highly concentrated residential facility populations, and advocacy groups. For purposes of this subdivision, "highly concentrated" means having a population in residential facilities serving seven or more persons that exceeds one-half of one percent of the population of a recognized planning district or other administrative subdivision.*

*(c) Within 45 days after submission of the plan by the county, the commissioner shall certify whether the plan fulfills the purposes and requirements of this subdivision including the following requirements.*

*(1) No new facility serving seven or more persons shall be located in any recognized planning district or other administrative subdivision where the population in residential facilities is highly concentrated.*

*(2) The county plan shall promote dispersal of highly concentrated residential facility populations.*

(3) *The county plan shall promote the development of residential facilities in areas that are not highly concentrated.*

(4) *No person in a residential facility shall be displaced as a result of this section until a relocation plan has been implemented that provides for an acceptable alternative placement.*

(5) *If the plan provides for the relocation of residential facilities, the relocation shall be completed by January 1, 1990.*

*If the commissioner certifies that the plan does not do so, he shall state the reasons, and the county shall have 30 days to submit a plan amended to comply with the requirements of the commissioner.*

(d) *After July 1, 1985, the commissioner may reduce grants pursuant to section 245.73 to a county required to have an approved plan under clause (b) if the county does not have a plan approved by the commissioner. The county board has the right to be provided with advance notice and to appeal the commissioner's decision. If the county requests a hearing within 30 days of the notification of intent to reduce grants, the commissioner shall not certify any reduction in grants until a hearing is conducted and a decision rendered in accordance with the contested case provisions of chapter 14.*

Sec. 7. Minnesota Statutes 1982, section 462.357, is amended by adding a subdivision to read:

*Subd. 6a. It is the policy of this state that handicapped persons and children should not be excluded by municipal zoning ordinances or other land use regulations from the benefits of normal residential surroundings. For purposes of subdivisions 6a through 9, "person" has the meaning given in section 245.782, subdivision 2.*

Sec. 8. Minnesota Statutes 1982, section 462.357, subdivision 7, is amended to read:

Subd. 7. [PERMITTED SINGLE FAMILY USE.] (IN ORDER TO IMPLEMENT THE POLICY OF THIS STATE THAT MENTALLY RETARDED AND PHYSICALLY HANDICAPPED PERSONS SHOULD NOT BE EXCLUDED BY MUNICIPAL ZONING ORDINANCES FROM THE BENEFITS OF NORMAL RESIDENTIAL SURROUNDINGS,) A state licensed (GROUP HOME OR FOSTER HOME) residential facility serving six or fewer (MENTALLY RETARDED OR PHYSICALLY HANDICAPPED) persons or a licensed day care facility serving 12 or fewer persons shall be considered a permitted single family residential use of property for the purposes of zoning.

Sec. 9. Minnesota Statutes 1982, section 462.357, subdivision 8, is amended to read:

Subd. 8. [PERMITTED MULTI-FAMILY USE.] (UNLESS OTHERWISE PROVIDED IN ANY TOWN, MUNICIPAL OR COUNTY ZONING REGULATION AS AUTHORIZED BY THIS SUBDIVISION,) A state licensed residential facility serving from 7 through 16 (MENTALLY RETARDED OR PHYSICALLY HANDICAPPED) persons or a licensed day care facility serving from 13 through 16 persons shall be considered a permitted multi-family residential use of property for purposes of zoning. (A TOWNSHIP, MUNICIPAL OR COUNTY ZONING AUTHORITY MAY REQUIRE A CONDITIONAL USE OR SPECIAL USE PERMIT IN ORDER TO ASSURE PROPER MAINTENANCE AND OPERATION OF A FACILITY, PROVIDED THAT NO CONDITIONS SHALL BE IMPOSED ON THE HOMES WHICH ARE MORE RESTRICTIVE THAN THOSE IMPOSED ON OTHER CONDITIONAL USES OR SPECIAL USES OF RESIDENTIAL PROPERTY IN THE SAME ZONES, UNLESS THE ADDITIONAL CONDITIONS ARE NECESSARY TO PROTECT THE HEALTH AND SAFETY OF THE RESIDENTS OF THE RESIDENTIAL FACILITY FOR THE MENTALLY RETARDED OR THE PHYSICALLY HANDICAPPED. NOTHING HEREIN SHALL BE CONSTRUED TO EXCLUDE OR PROHIBIT RESIDENTIAL HOMES FOR THE MENTALLY RETARDED OR PHYSICALLY HANDICAPPED FROM SINGLE FAMILY ZONES IF OTHERWISE PERMITTED BY A LOCAL ZONING REGULATION.)

Sec. 10. Minnesota Statutes 1982, section 462.357, is amended by adding a subdivision to read:

*Subd. 9. Unless otherwise provided in any town, municipal, or county zoning regulation as authorized by this subdivision, a licensed day care or residential facility serving from 17 through 25 persons shall be considered a permitted multi-family residential use of property for purposes of zoning. A township, municipal, or county zoning authority may require a conditional use or special use permit, provided that no standards shall be used which are more restrictive than those used with respect to other uses of residential property in the same zones. The zoning authority may require a periodic review of the permit if required of all conditional use or special use permits. Nothing in this subdivision shall be construed to exclude or prohibit residential facilities from any zoning district if otherwise permitted by a local zoning regulation.*

Sec. 11. [EFFECTIVE DATE.]

*Sections 1 to 10 are effective the day after final enactment."*

Amend the title as follows:

Page 1, line 11, after "sections" insert "245.783, by adding a subdivision;"

Page 1, line 12, after the first "subdivisions" insert "3,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local and Urban Affairs.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1977, A bill for an act relating to public welfare; clarifying the calculation of rates paid to health maintenance organizations; requiring the use of certain presentation materials; amending Minnesota Statutes 1982, sections 256.966, subdivision 2; and 256B.05, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 15, after "the" insert "*projected*"

Page 1, lines 19 to 21, delete the new language

Page 2, line 1, after "*present*" insert "*all of*"

Page 2, line 4, after the period insert "*The state agency shall monitor county agency presentations.*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1994, A bill for an act relating to judges; providing for the manner of filling vacancies in the office of judge; proposing new law coded as Minnesota Statutes, chapter 480B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [480B.01] [COMMITTEE ON JUDICIAL VACANCIES.]

*Subdivision 1. [JUDICIAL VACANCIES.] When a justice of the supreme court, a judge of the court of appeals, or a judge of the district, county, or county municipal court dies, resigns, retires, or is removed during his term of office, the resulting vacancy shall be filled by the governor in the manner provided in this section.*

*Subd. 2. [COMMITTEE ESTABLISHED; MEMBERS.] A committee on judicial vacancies is established. It shall be composed of permanent members chosen as follows:*

*(1) four members appointed by the governor to a four-year term, which shall end on the same day the governor's term of office ends;*

*(2) four members appointed by the chief justice to a four-year term, which shall end on the same day the governor's term of office ends;*

*(3) one attorney residing in each judicial district elected by the attorneys residing in the district to a four-year term, which shall end on the same day the governor's term of office ends; and*

*(4) one district, county, or county municipal judge elected by the district, county, and county municipal judges in the district to a four-year term, which shall end on the same day the governor's term of office ends.*

*Individuals elected pursuant to clause (3) shall be chosen at elections administered by the bar associations serving each judicial district. Individuals elected pursuant to clauses (3) and (4) shall be permanent members of the committee but shall participate in committee meetings and deliberations only when the committee is considering applicants to fill a vacancy on the district, county, or county municipal court in the judicial district from which those individuals were elected.*

*A member appointed pursuant to clause (1), serves at the pleasure of the governor.*

*If a vacancy occurs on the committee by reason of the death or resignation of any permanent member or by the removal of a member appointed pursuant to clause (1), the appointing or electing authority shall appoint or elect an individual to fill the vacancy for the remainder of the unexpired term.*

*Each time a vacancy occurs on the district, county, or county municipal court, in addition to the permanent members provided in clauses (1) to (4), two residents of the judicial district shall be appointed by the governor as special members of the committee and shall serve only while the vacancy in that district is being filled.*



*The appointing or electing authorities shall ensure that the permanent members of the committee include attorneys who are women and members of minority races.*

*The governor shall designate the chairman of each committee, who shall call meetings and preside at them. A quorum of the committee shall be seven members when considering district, county, or county municipal court vacancies and five members when considering supreme court or court of appeals vacancies.*

*Both permanent and special members of the committee who would otherwise be eligible to hold judicial office shall not be considered or appointed to fill any judicial vacancy while they are members of the committee or for six months following the end of their membership on the committee.*

**Subd. 3. [COMMITTEE MEETINGS; NOTICE; TIME.]**

*Within ten days after a judicial vacancy occurs or after the governor has been notified that a vacancy will occur on a specified date, the governor shall notify the chairman of the committee on judicial vacancies. The governor shall advise the chairman of the names of the persons appointed to serve as special members of the committee on judicial vacancies for the purpose of considering candidates to fill that vacancy or anticipated vacancy. The chairman shall notify the appropriate permanent and special members of the committee that a vacancy has occurred or is anticipated and shall call a meeting of the committee to consider the candidates for the vacancy. The meeting shall be held not less than 30 days nor more than 42 days after the governor provides notification of the vacancy.*

**Subd. 4. [NOTICE TO THE PUBLIC.]** *Upon receiving notice from the governor that a judicial vacancy has occurred or will occur at a definite future date, the chairman shall provide notice of the following information:*

- (1) the office which is or will be vacant;*
- (2) that applications from qualified persons are being accepted by the committee;*
- (3) that application forms may be obtained from the committee at a specified address; and*
- (4) that application forms must be returned to the committee by a specified date, which shall be three days before the first meeting of the committee called by the chairman to consider candidates.*

*If the vacancy has occurred or will occur on the supreme court or court of appeals, the notice shall be provided to the bar association in each judicial district and to at least one newspaper of*

*general circulation in each county in the state. If the vacancy has occurred or will occur in the district, county, or county municipal court, notice shall be provided to the bar association in the judicial district where the vacancy has occurred or will occur and to at least one newspaper of general circulation in each county in the district.*

*Subd. 5. [CANDIDATE EVALUATION.] In the case of all vacancies, the committee shall evaluate the extent to which candidates possess the following qualifications for judicial office: integrity, maturity, health, judicial temperament, diligence, legal knowledge, ability and experience, and community service. The committee shall give consideration to female candidates and to male candidates who are Blacks, Hispanics, Asians, or American Indians. The committee may establish procedures for evaluating candidates.*

*Subd. 6. [NOMINEES TO GOVERNOR.] Within 30 days after the first meeting of the committee to consider candidates, the committee shall recommend to the governor no fewer than three and no more than five nominees for each judicial vacancy. The nominees shall not be ranked in any preference order. The names of the nominees shall be made public. The governor shall fill the vacancy from the nominees recommended by the committee within 15 days after receiving the recommendations unless he rejects all the nominees and requests new nominees from the committee in writing.*

**Sec. 2. [EFFECTIVE DATE.]**

*Section 1 is effective August 1, 1984, for judicial vacancies occurring on and after January 1, 1985. The initial permanent members of the committee shall be appointed or elected to terms which shall end on the first Sunday of January 1987."*

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. 2004, A bill for an act relating to health; requiring the commissioner of health to publish information about hazardous substances; proposing new law coded in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**“Section 1. [144.054] [ENVIRONMENTAL HEALTH INFORMATION.]**

*Subdivision 1. [LEGISLATIVE PURPOSE.] A large number of individuals are exposed to hazardous substances in the community or at the workplace. This exposure is frequently at low levels and individuals, communities, employers, and employees are not aware of the health and safety effects of exposure. It is the responsibility of the state to provide information and education to individuals, communities, employers, and employees concerning the risks of exposure in relation to other health and safety risks.*

*Subd. 2. [DEFINITION.] “Hazardous substance” means harmful physical agents and infectious agents that are regulated under the Employee Right to Know Act of 1983, including chemicals commonly used, inhaled, or consumed away from the workplace.*

*Subd. 3. [ENVIRONMENTAL HEALTH EDUCATION PROGRAM.] The commissioner of health shall establish and maintain an environmental education and information program. As part of the program the commissioner shall:*

*(1) provide information regarding epidemiologic, genetic, and other scientific studies proposed, underway, or completed that pertain to adverse health effects that may be associated with exposure to hazardous substances;*

*(2) monitor and report on the activities and policies of the United States government relating to the exposure of communities, workers, or individuals to hazardous substances;*

*(3) respond, within the scope of the powers and duties established under chapters 144 and 145, to other issues of concern to communities, employees, workers, and individuals relating to exposure to hazardous substances;*

*(4) provide medical information to health professionals and others in the state regarding the detection, diagnosis, and treatment of acute and chronic symptoms that may be associated with exposure to hazardous substances; and*

*(5) compile and publish by January 1, 1985, a list of the leading causes of death in Minnesota. To the extent possible, the list shall include references to hazardous substances to which individuals may have been exposed.*

*Subd. 4. [SPECIAL STUDIES.] The commissioner may conduct studies regarding the prevalence of adverse health con-*

*ditions in individuals exposed to certain hazardous substances and previous exposure of selected individuals who are terminally ill or deceased.*

*Subd. 5. [ANNUAL REPORT.] The commissioner shall prepare an annual report to the standing committees of the legislature having jurisdiction over public health and hazardous substances. The report shall include:*

*(1) a review and summary analysis of the scientific literature concerning new research on the effects of exposure to hazardous substances;*

*(2) a list of hazardous substances indicating their general importance in terms of toxicity, exposure of the public or special groups, and impact upon the health of the state;*

*(3) a summary of the activities undertaken by the commissioner to inform and assist communities, individuals, employees, and employers who may have been exposed to hazardous substances;*

*(4) a description and interpretation of the results of studies undertaken pursuant to this section; and*

*(5) comments or recommendations the commissioner may consider appropriate.*

## Sec. 2. [APPROPRIATION.]

*There is appropriated from the general fund to the commissioner of health \$112,500 for purposes of section 1.*

## Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective July 1, 1984."*

Amend the title as follows:

Page 1, line 3, delete "publish" and insert "conduct studies and disseminate"

Page 1, line 4, after the semicolon insert "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.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2017, A bill for an act relating to commitment; defining provisional discharge; prohibiting the provisional release of a mentally ill and dangerous patient from secure confinement; amending Minnesota Statutes 1982, sections 253B.02, by adding a subdivision; and 253B.18, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 253B.02, is amended by adding a subdivision to read:

*Subd. 21. [PASS.] "Pass" means any authorized temporary, unsupervised absence from the treatment facility.*

Sec. 2. Minnesota Statutes 1982, section 253B.02, is amended by adding a subdivision to read:

*Subd. 22. [PASS PLAN.] "Pass plan" means a part of a treatment plan of a person who has been committed as mentally ill and dangerous which specifies the terms and conditions under which the patient may be released on a pass.*

Sec. 3. Minnesota Statutes 1982, section 253B.02, is amended by adding a subdivision to read:

*Subd. 23. [PASS-ELIGIBLE STATUS.] "Pass-eligible status" means the status in which persons committed as mentally ill and dangerous may be released on passes upon approval of a pass plan by the head of the treatment facility.*

Sec. 4. Minnesota Statutes 1982, section 253B.18, is amended by adding a subdivision to read:

*Subd. 4a. [PASSES.] Patients who have been committed as mentally ill and dangerous and who are confined at the Minnesota security hospital shall not be released on a pass unless the pass is part of a pass plan that has been approved by the medical director of the Minnesota security hospital. At least ten days prior to his determination on the plan, the medical director shall notify the county attorney of the county of commitment of the plan, the nature of the passes proposed and the county attorney's right to object to the plan. If the county attorney objects prior to the proposed date of implementation, the county attorney shall have the opportunity to appear, personally or in writing, before the medical director, within ten days of this objection, to present his grounds for opposing the plan. The pass plan shall not be implemented until the county attorney has been furnished that opportunity.*

Sec. 5. Minnesota Statutes 1982, section 253B.18, is amended by adding a subdivision to read:

*Subd. 4b. [PASS-ELIGIBLE STATUS.] Patients who have been committed as mentally ill and dangerous, who are confined at the Minnesota security hospital, and who were acquitted of a crime against the person pursuant to a verdict of not guilty by reason of mental illness, or who were convicted of a crime against the person, or who are subject to a commitment to the commissioner of corrections, shall not be placed on pass-eligible status unless the status has been approved by the medical director of the Minnesota security hospital. At least ten days prior to his determination on the status, the medical director shall notify the county attorney of the county of commitment of the proposed status, and the county attorney's right to request review by the special review board. If the county attorney requests review by the special review board within ten days of the date of the notice, by filing a notice of objection with the commissioner and the head of the treatment facility, the status shall not be implemented unless it is approved by the commissioner after a hearing before the special review board and a favorable recommendation of majority of the board. The status shall be deemed approved by the commissioner unless he orders otherwise within 30 days of the request for a review by the county attorney. Any patient aggrieved by the head of the treatment facility's failure to approve a pass-eligible status may seek approval of the status by petitioning the special review board. The order of the commissioner is appealable as provided in section 253B.19."*

Amend the title as follows:

Page 1, line 6, delete "a subdivision" and insert "subdivisions"

Page 1, line 7, delete "subdivision 7" and insert "by adding subdivisions"

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. 2050, A bill for an act relating to public welfare; allowing reimbursement for certain services under the state general assistance medical care program; amending Minnesota Statutes 1983 Supplement, section 256D.03, subdivision 4.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2067, A bill for an act relating to occupations and professions; prohibiting the boards of medical examiners and psychology from using evidence of the previous sexual conduct of a patient or client in board proceedings concerning unprofessional conduct; proposing new law coded in Minnesota Statutes, chapters 147 and 148.

Reported the same back with the following amendments:

Page 1, line 12, delete "*of the board*"

Page 1, line 14, after "*board*" insert "*or hearing examiner*"

Page 1, line 17, delete "*of the board*" and insert "*, except by motion of the complainant*"

Page 1, line 20, delete "*of the board*"

Page 1, line 22, after "*board*" insert "*or hearing examiner*"

Page 1, line 24, delete "*of the*" and insert "*, except by motion of the complainant.*"

Page 1, delete line 25

Amend the title as follows:

Page 1, delete line 3

Page 1, line 4, delete "*using*"

Page 1, line 5, delete "*board*"

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. 2091, A bill for an act relating to public welfare; authorizing the commissioner of public welfare to establish a special revenue account; expanding the commissioner's duties; appropriating money; amending Minnesota Statutes 1983 Supplement, section 256.01, subdivision 2.

Reported the same back with the following amendments:

Page 5, delete lines 5 to 8 and renumber the remaining section

Amend the title as follows:

Page 1, line 5, delete "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.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2097, A bill for an act relating to persons handicapped in communication; requiring the arresting officer to immediately obtain a qualified interpreter for a person handicapped in communication who has been arrested; amending Minnesota Statutes 1982, section 611.32.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 546.42, is amended to read:

546.42 [PERSONS HANDICAPPED IN COMMUNICATION; INTERPRETERS.]

For the purposes of sections 546.42 to 546.44 a person handicapped in communication is one who, because of a hearing, speech or other communication disorder, or because of (THE INABILITY TO SPEAK OR COMPREHEND) *difficulty in speaking or comprehending* the English language, is unable to *fully* understand the proceedings in which he is required to participate, or when named as a party to a legal proceeding, is unable by reason of the deficiency to obtain due process of law.

Sec. 2. Minnesota Statutes 1982, section 611.31, is amended to read:

611.31 [HANDICAPPED PERSON.]

For the purposes of sections 611.30 to 611.34, "person handicapped in communication" means a person who: (a) because of a hearing, speech or other communication disorder, or (b) be-



cause of (THE INABILITY TO SPEAK OR COMPREHEND) *difficulty in speaking or comprehending* the English language, cannot *fully* understand the proceedings or any charges made against him, or is incapable of presenting or assisting in the presentation of his defense.

Sec. 3. Minnesota Statutes 1982, section 611.32, is amended to read:

611.32 [PROCEEDINGS WHERE INTERPRETER APPOINTED.]

Subdivision 1. [PROCEEDINGS AND PRELIMINARY PROCEEDINGS INVOLVING POSSIBLE CRIMINAL SANCTIONS OR CONFINEMENT.] In any proceeding (WHEREIN) *in which* a (HANDICAPPED) person *handicapped in communication* may be subjected to confinement or criminal sanction, or in any proceeding preliminary (THERETO) *to that proceeding*, including coroner's inquest, grand jury proceedings, and proceedings relating to mental health commitments, the presiding judicial officer shall appoint a qualified interpreter to assist the (HANDICAPPED) person *handicapped in communication and any witness handicapped in communication* throughout the proceedings.

Subd. 2. [PROCEEDINGS AT TIME OF APPREHENSION OR ARREST.] (UPON) *Following* the apprehension or arrest of a person *handicapped in communication* for an alleged violation of a criminal law (AND), *the arresting officer, sheriff, or other law enforcement official shall immediately make necessary contacts to obtain a qualified interpreter and shall obtain an interpreter at the earliest possible time at the place of detention. A law enforcement officer shall, with the assistance of the interpreter, explain to the person handicapped in communication all charges filed against him or her and all procedures relating to his or her detainment and release. The interpreter shall also assist the person with all other communications, including communications relating to needed medical attention. Prior to interrogating or taking the statement of (A) the (HANDICAPPED) person handicapped in communication, the arresting officer, sheriff, or other law enforcement official shall make available to (SAID) the person (, AT THE EARLIEST POSSIBLE TIME,) a qualified interpreter to assist (SUCH) the person throughout (SUCH) the interrogation or taking of a statement."*

Amend the title as follows:

Page 1, line 6, delete "section" and insert "sections 546.42; 611.31; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2099, A bill for an act relating to insurance; no-fault auto; providing uninsured and underinsured motorist coverages; defining terms; amending Minnesota Statutes 1982, sections 65B.43, by adding subdivisions; and 65B.49, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 65B.43, is amended by adding a subdivision to read:

*Subd. 15. “Uninsured motor vehicle” means a motor vehicle or motorcycle for which a plan of reparation security meeting the requirements of sections 65B.41 to 65B.71 is not in effect.*

Sec. 2. Minnesota Statutes 1982, section 65B.43, is amended by adding a subdivision to read:

*Subd. 16. “Uninsured motorist coverage” means coverage for the protection of persons insured thereunder who are legally entitled to recover damages, because of bodily injury, from owners or operators of uninsured motor vehicles and motor vehicles or motorcycles whose owner or operator cannot be identified.*

Sec. 3. Minnesota Statutes 1982, section 65B.43, is amended by adding a subdivision to read:

*Subd. 17. “Underinsured motorist coverage” means coverage for the protection of persons insured thereunder who are legally entitled to recover damages, because of bodily injury, from owners or operators of motor vehicles or motorcycles, but which damages are uncompensated because the total damages exceed the available bodily injury liability coverage applicable to the other vehicle. The maximum liability of the insurer under the underinsured motorist coverage provided shall be the lesser of:*

- (1) the limit of underinsured motorist coverage; or*
- (2) the amount of damages sustained, but not recovered.*

Sec. 4. Minnesota Statutes 1982, section 65B.49, subdivision 4, is amended to read:

**Subd. 4. [UNINSURED (OR HIT-AND-RUN MOTOR VEHICLE) AND UNDERINSURED MOTORIST COVER-**

AGE.] (1) No plan of reparation security may be renewed, delivered or issued for delivery, or executed in this state with respect to any motor vehicle registered or principally garaged in this state unless *uninsured motorist coverage (IS) and underinsured motorist coverage are provided therein (OR SUPPLEMENTAL THERETO, IN THE AMOUNTS). Each coverage, as a minimum, must provide limits of \$25,000 because of injury to or the death of one person in any accident (,) and (SUBJECT TO THE SAID LIMIT FOR ONE PERSON,) \$50,000 because of (BODILY) injury to or the death of two or more persons in any (ONE) accident (, FOR THE PROTECTION OF PERSONS INSURED THEREUNDER WHO ARE LEGALLY ENTITLED TO RECOVER DAMAGES FROM OWNERS OR OPERATORS OF UNINSURED MOTOR VEHICLES AND HIT-AND-RUN MOTOR VEHICLES BECAUSE OF INJURY). In the case of injury to, or the death of, two or more persons in any accident, the amount available to any one person must not exceed the coverage limit provided for injury to, or the death of, one person in any accident.*

(2) Every owner of a motor vehicle registered or principally garaged in this state shall maintain uninsured (MOTOR VEHICLE) *motorist coverage and underinsured motorist coverage as provided in this subdivision.*

(3) ("UNINSURED MOTOR VEHICLE" MEANS ANY MOTOR VEHICLE OR MOTORCYCLE FOR WHICH A PLAN OF REPARATION SECURITY MEETING THE REQUIREMENTS OF SECTIONS 65B.41 TO 65B.71 IS NOT IN EFFECT) *No reparation obligor shall be required to provide limits of uninsured motorist coverage or underinsured motorist coverage in excess of the bodily injury limit provided by the applicable plan of reparation security.*

(4) No recovery shall be permitted under the uninsured (MOTOR VEHICLE PROVISIONS OF THIS SECTION) *motorist coverage nor the underinsured motorist coverage for basic economic loss benefits paid or payable, or which would be payable but for any applicable deductible.*

(5) *Notwithstanding the provisions of this section, an insurer may make underinsured motorist coverage a part of uninsured motorist coverage with the limit of liability applying separately to each coverage.*

(6) *After selection of limits by the insured, no insurer nor any affiliated insurer shall be required to notify any policyholder in any renewal or replacement policy, as to the availability of such optional limits. However, the insured may, subject to the limitations expressed in this section, make a written request for coverage more extensive than that provided on a prior policy."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2131, A bill for an act relating to the city of Duluth; changing the boundaries of the tracts of land administered by the Spirit Mountain recreation area authority; amending Laws 1973, chapter 327, section 2, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2154, A bill for an act relating to civil commitment; providing for status review of persons residing in state facilities pursuant to an order of guardianship; amending Laws 1982, chapter 581, section 26, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 253B.07, subdivision 7, is amended to read:

Subd. 7. [PRELIMINARY HEARING.] (a) No proposed patient may be held pursuant to subdivision 6 for longer than 72 hours, exclusive of Saturdays, Sundays, and legal holidays, unless the court holds a preliminary hearing and determines that probable cause exists to continue to hold him.

(b) The proposed patient, his counsel, the petitioner, the county attorney, and any other persons as the court directs shall be given at least 24 hours written notice of the preliminary hearing. The notice shall include the alleged grounds for confinement. The proposed patient shall be represented at the preliminary hearing by counsel. If the court finds it to be reliable, it may admit hearsay evidence, including written reports.

(c) *The court, on its motion or on motion of any party, may, in extreme circumstances, exclude a respondent who is seriously disruptive or who is totally incapable of comprehending and participating in the proceedings. In such instances, the court shall, with specificity on the record, state the behavior of respondent or other circumstances justifying proceeding in the absence of the respondent.*

(d) The court may order the continued holding of the proposed patient if it finds, by a preponderance of the evidence, that serious imminent physical harm to the patient or others is likely if the proposed patient is not confined. The fact that a proposed patient was acquitted of a crime against the person under section 611.026 immediately preceding the filing of the petition constitutes evidence that serious imminent physical harm to the patient or others is likely if the proposed patient is not confined and shifts the burden of going forward in the presentation of evidence to the proposed patient; provided that the standard of proof remains as required by this chapter.

Sec. 2. Minnesota Statutes 1982, section 253B.08, subdivision 5, is amended to read:

Subd. 5. [ABSENCE PERMITTED.] (a) The court may permit the proposed patient to waive his right to attend the hearing if it determines that the waiver is freely given. All waivers shall be on the record. At the time of the hearing the patient shall not be so under the influence or suffering from the effects of drugs, medication, or other treatment so as to be hampered in participating in the proceedings. When in the opinion of the licensed physician or licensed consulting psychologist attending the patient the discontinuance of drugs, medication, or other treatment is not in the best interest of the patient, the court, at the time of the hearing, shall be presented a record of all drugs, medication or other treatment which the patient has received during the 48 hours immediately prior to the hearing.

(b) *The court, on its own motion or on motion of any party, may, in extreme circumstances, exclude a respondent who is seriously disruptive or who is totally incapable of comprehending and participating in the proceedings. In such instances, the court shall, with specificity on the record, state the behavior of respondent or other circumstances justifying proceeding in the absence of the respondent.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 525.619, is amended to read:

525.619 [POWERS AND DUTIES OF GUARDIAN OF MINOR.]

A guardian of a minor has the powers and responsibilities of a parent who has not been deprived of custody of his minor and unemancipated child, except that a guardian is not legally obligated to provide from his own funds for the ward. In particular, and without qualifying the foregoing, a guardian has the following powers and duties:

(a) He must take reasonable care of his ward's personal effects and commence protective proceedings if necessary to protect other property of the ward.

(b) He may receive money payable for the support of the ward to the ward's parent, guardian or custodian under the terms of any statutory benefit or insurance system, or any private contract, devise, trust, conservatorship or custodianship. He also may receive money or property of the ward paid or delivered by virtue of section 525.6196. Any sums so received shall be applied to the ward's current needs for support, care and education. He must exercise due care to conserve any excess for the ward's future needs unless a conservator has been appointed for the estate of the ward, in which case the excess shall be paid over at least annually to the conservator. Sums so received by the guardian are not to be used for compensation for his services except as approved by order of court or as determined by a duly appointed conservator other than the guardian. A guardian may institute proceedings to compel the performance by any person of a duty to support the ward or to pay sums for the welfare of the ward.

(c) The guardian is empowered to facilitate the ward's education, social, or other activities and to authorize medical or other professional care, treatment or advice. A ward *who is less than 16 years of age may be admitted to a treatment facility as an informal patient according to section 253B.04* but may not be committed to any state institution except pursuant to chapter 253B (AND). No guardian may give consent for psychosurgery, electroshock, sterilization or experimental treatment of any kind unless the procedure is first approved by the order of the court, after a hearing as prescribed by section 525.56, subdivision 2.

A guardian is not liable by reason of his consent for injury to the ward resulting from the negligence or acts of third persons unless it would have been illegal for a parent to have consented, or unless he fails to comply with the requirements of this section which provide that a court order is necessary for commitment and for certain types of medical procedures. A guardian may consent to the marriage or adoption of his ward.

(d) A guardian must report the condition of his ward and of the ward's estate which has been subject to his possession or control, as ordered by the court on its own motion or on petition of any person interested in the minor's welfare and as required by court rule.

Sec. 4. Laws 1982, chapter 581, section 26, as amended by Laws 1983, chapter 251, section 27, is amended to read:

Sec. 26. [EFFECTIVE DATE.]

This act is effective August 1, 1982 and applies to any conduct, transaction, or proceeding within its terms which occurs after August 1, 1982. A proceeding for the commitment of a person to a treatment facility commenced before August 1, 1982, is governed by the law existing at the time the proceeding was com-

menced; provided, however, that if the proceedings are not terminated by August 1, 1983, they shall thereafter be governed by the provisions of sections 1 to 23. Any person, other than a person committed as mentally ill and dangerous, who was committed pursuant to chapter 253A and whose term of commitment is indeterminate shall have his status reviewed pursuant to the provisions of section 12 prior to February 1, 1984.

*For persons 16 years or older, involuntarily residing in a treatment facility pursuant to an order of guardianship, and not committed pursuant to an order issued under chapter 253B or Minnesota Statutes 1980, chapter 253A, the following review procedures will apply:*

(a) *The person shall have a commitment hearing according to section 253B.08 prior to August 1, 1985. The head of the treatment facility shall initiate the petition for commitment.*

(b) *The person shall be deemed to be legally committed to the head of the treatment facility until the committing court issues an appropriate judgment according to section 253B.09, or until August 1, 1985, whichever date occurs first.*

(c) *A finding by the committing court that the individual does not satisfy the commitment criteria of chapter 253B shall not terminate the guardianship or constitute a restoration to capacity. An order of restoration to capacity may only be obtained under section 525.61.*

*If the committing court finds that the individual does not satisfy the commitment criteria set forth in section 253B, the court, by order shall immediately notify the county welfare board. The designated agency shall locate an appropriate community placement within 90 days of notification by the guardian. Until an appropriate placement is available, the ward may continue to reside in the treatment facility in which the ward resided prior to the commitment hearing.*

Sec. 5. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to civil commitment; permitting respondents to be absent from hearings under certain conditions; clarifying the conditions under which a guardian may place a minor ward in certain treatment facilities; providing for status review of persons residing in state facilities pursuant to an order of guardianship; amending Minnesota Statutes 1982, section 253B.08, subdivision 5; Minnesota Statutes 1983 Supple-

ment, sections 253B.07, subdivision 7; and 525.619; and Laws 1982, chapter 581, section 26, as amended."

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2161, A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws affected; requiring the revisor of statutes to editorially change criminal fines in a manner consistent with 1983 regular session changes made in maximum authorized fines; amending Minnesota Statutes 1982, chapters 1, as amended; 16, as amended; 16A, as amended; 177, as amended; and 300, as amended; and Minnesota Statutes 1982, sections 10.39; 15.375; 80A.22, subdivision 1; 152.15, subdivision 1; 609.20; Minnesota Statutes 1983 Supplement, sections 609.21; 609.52, subdivision 3; 609.582; 617.246, subdivisions 2, 3, and 4; repealing Minnesota Statutes 1982, sections 10.02; 10.03; 16A.02; 16A.04, subdivisions 2 and 3; 16A.07; 16A.08; 16A.125, subdivision 6; 16A.132; 16A.52; 16A.55; 16A.65, subdivision 3; and Minnesota Statutes 1983 Supplement, section 609.0341, subdivision 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2162, A bill for an act relating to Minnesota Statutes; providing for the replacement of gender-specific references with neutral or equal references to gender; imposing duties on the revisor of statutes and other legislative staff; setting goals; providing for the accomplishment of goals within existing resources.

Reported the same back with the following amendments:

Page 2, delete lines 14 to 17

Page 2, lines 28 and 29, delete "try to file this revision by January 1, 1986, but may"



Page 2, line 29, delete "*as late as*" and insert "*not later than*"

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:

H. F. No. 2188, A bill for an act relating to Indians; providing for partial settlement of Indian land claims on the White Earth Reservation; appropriating money.

Reported the same back with the recommendation that 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. 2189, A resolution memorializing the International Joint Commission, the President and Congress to effectuate an agreement between Minnesota and Ontario on joint management of their border waters.

Reported the same back with the following amendments:

Page 1, line 21, after "Commission" insert "and existing treaties"

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.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 2192, A bill for an act relating to agriculture; milk quality standards; refining procedures and deadlines for investment reimbursement; amending Minnesota Statutes 1983 Supplement, section 32.417.

Reported the same back with the following amendments:

Page 2, line 11, delete the new language and reinstate the stricken language

Page 2, delete lines 13 to 17

Renumber the section in sequence

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2207, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, omitted, and obsolete references and text; eliminating certain redundant, conflicting, and superseded provisions; reenacting certain laws; amending Minnesota Statutes 1982, sections 14.40; 97.433, subdivision 3; 116C.73; 116D.06, subdivision 1; 123.78, subdivision 1; 156A.04; 161.16, subdivision 4; 169.45; 256C.02; 302A.115, subdivision 3; 327C.02, subdivision 3; 356.23; 356.25; 383A.09, subdivision 5; 412.022, subdivision 1; 501.78, subdivision 4; 524.3-1201; 609.-346, subdivision 2; 609.487, subdivision 4; Minnesota Statutes 1983 Supplement, sections 3.9222, subdivision 6; 14.115, subdivisions 5 and 6; 16.872, subdivision 4; 38.04; 41.61, subdivision 1; 51A.51, subdivisions 2 and 3a; 53.03, subdivision 6; 53.04, subdivision 3a; 60A.17, subdivision 6c; 88.644; 102.26, subdivision 3c; 115.071, subdivision 2b; 116J.28, subdivision 3; 124.195, subdivision 10; 124.272, subdivision 3; 124A.14, subdivision 1; 144A.071, subdivision 5; 168.126, subdivision 1; 176.111, subdivision 18; 240.08, subdivision 2; 241.64, subdivisions 1 and 3; 256B.431, subdivisions 2 and 3; 260.185, subdivision 1; 268.04, subdivision 25; 272.02, subdivision 1; 273.118; 290.01, subdivision 19; 290.09, subdivision 5; 290.10; 290.17, subdivision 2; 290A.03, subdivision 3; 297A.01, subdivision 3; 297A.02, subdivision 3; 297A.25, subdivision 1; 325F.09; 393.07, subdivision 1; 420.13; 505.04; 507.235, subdivision 2; 508.421, subdivision 1; 514.221, subdivision 3; 515A.1-102; 518.17, subdivision 5; 543.20, subdivision 2; 558.215; 629.341, subdivision 1; Laws 1980, chapter 451, section 2; Laws 1983, chapters 128, section 36; 289, section 114, subdivision 1; reenacting Minnesota Statutes 1983 Supplement, sections 45.04, subdivision 1; 116J.28; 256.482, subdivision 2; repealing Minnesota Statutes 1982, sections 156A.031, subdivision 2; 377.06; and 480.059, subdivision 3; repealing Minnesota Statutes 1983 Supplement, section 116D.05; Laws 1982, chapter 501, section 20; Laws 1983, chapters 142, sections 5 and 8; 207, sections 6 and 42; 248, section 3; 253, section

22; 259, section 6; 260, sections 15, 47, and 56, subdivision 2; 277, section 2, subdivision 2; 289, section 16; 293, sections 66, 80, and 83; 301, section 66; 312, article 8, section 6.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2238, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Koochiching County; appropriating money.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2255, A bill for an act relating to local government; permitting a land transfer between Ramsey County and the city of Shoreview.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

H. F. No. 2276, A resolution memorializing Congress to enact H. R. 5081, the Fair Trade in Steel Act of 1984.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

S. F. No. 7, A bill for an act relating to St. Louis County; providing for the tort liability of the St. Louis County Promotional Bureau.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Eken from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 751, A resolution memorializing the Commission on Wartime Relocation and Internment of Civilians to recommend to the United States Congress to provide adequate compensation to internees.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 1041, A bill for an act relating to the city of Plymouth; giving the city the powers of a port authority.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 29, 229, 756, 899, 994, 1203, 1206, 1292, 1330, 1386, 1452, 1556, 1568, 1602, 1618, 1630, 1686, 1695, 1735, 1755, 1791, 1800, 1828, 1850, 1871, 1896, 1910, 1977, 1994, 2017, 2067, 2097, 2099, 2131, 2154, 2161, 2162, 2192, 2207, 2238, 2255 and 2276 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 7, 751 and 1041 were read for the second time.

### CONSENT CALENDAR

S. F. No. 1757 was reported to the House.

There being no objection S. F. No. 1757 was continued on the Consent Calendar for one day.

H. F. No. 427 was reported to the House.

There being no objection H. F. No. 427 was continued on the Consent Calendar for one day.

H. F. No. 1338, A bill for an act relating to elections; clarifying certain provisions relating to voting machines; amending Minnesota Statutes 1982, section 123.32, subdivision 7; and Minnesota Statutes 1983 Supplement, section 204C.24, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 206; repealing Minnesota Statutes 1982, sections 206.01 to 206.23; and Minnesota Statutes 1983 Supplement, sections 206.08, subdivision 3; 206.09; 206.11; 206.19, subdivision 1; and 206.21, 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 120 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knuth	Osthoff	Simoneau
Anderson, G.	Evans	Kostohryz	Otis	Skoglund
Anderson, R.	Findlay	Krueger	Pauly	Solberg
Battaglia	Fjoslien	Kvam	Peterson	Sparby
Beard	Forsythe	Larsen	Piepho	Staten
Begich	Frerichs	Levi	Piper	Sviggum
Bennett	Craba	Long	Price	Swanson
Bergstrom	Greenfield	Ludeman	Quinn	Tomlinson
Bishop	Gruenes	Mann	Quist	Tunheim
Blatz	Gustafson	Marsh	Redalen	Uphus
Boo	Gutknecht	McDonald	Riveness	Valan
Brandl	Halberg	McEachern	Rodosovich	Valento
Brinkman	Haukoos	McKasy	Rodriguez, C.	Vanasek
Burger	Heap	Metzen	Rodriguez, F.	Vellenga
Carlson, D.	Heinritz	Minne	Rose	Voss
Carlson, L.	Hoffman	Munger	St. Onge	Waltman
Clark, K.	Hokr	Murphy	Sarna	Welch
Clawson	Jacobs	Nelson, D.	Schafer	Welker
Cohen	Jennings	Neuenschwander	Scheid	Welle
Coleman	Jensen	Norton	Schreiber	Wenzel
DenOuden	Johnson	O'Connor	Seaberg	Wigley
Eken	Kaljs	Ogren	Segal	Wynia
Elioff	Kelly	Olsen	Shea	Zaffke
Ellingson	Knickerbocker	Omman	Sherman	Speaker Sieben

Those who voted in the negative were:

Dimler

The bill was passed and its title agreed to.

H. F. No. 1371, A bill for an act relating to state government; providing for a day care center for state employees in the capitol complex; amending Minnesota Statutes 1982, section 16.02, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioft	Knickerbocker	Osthoff	Sherman
Anderson, G.	Ellingson	Knuth	Otis	Simoneau
Anderson, R.	Erickson	Kostohryz	Pauly	Skoglund
Battaglia	Evans	Krueger	Peterson	Solberg
Beard	Findlay	Larsen	Piepho	Sparby
Begich	Fjoslien	Levi	Piper	Staten
Bennett	Forsythe	Long	Price	Swiggum
Bergstrom	Frerichs	Ludeman	Quinn	Swanson
Bishop	Graba	Mann	Quist	Tomlinson
Blatz	Greenfield	Marsh	Redalen	Tunheim
Boo	Gruenes	McDonald	Reif	Uphus
Brandl	Gustafson	McEachern	Riveness	Valan
Brinkman	Gutknecht	McKasy	Rodosovich	Valento
Burger	Halberg	Metzen	Rodriguez, C.	Vanasek
Carlson, D.	Haukoos	Minne	Rodriguez, F.	Vellenga
Carlson, L.	Heap	Munger	Rose	Voss
Clark, J.	Heinitz	Murphy	St. Onge	Waltman
Clark, K.	Hoffman	Nelson, D.	Sarna	Welch
Clawson	Hokr	Nelson, K.	Schafer	Welker
Cohen	Jacobs	Neuenschwander	Scheid	Welle
Coleman	Jennings	Norton	Schoenfeld	Wenzel
Dempsey	Jensen	O'Connor	Schreiber	Wigley
DenOuden	Johnson	Ogren	Seaberg	Wynia
Dimler	Kalis	Olsen	Segal	Zaffke
Eken	Kelly	Omann	Shea	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1672, A bill for an act relating to retirement; authorizing benefit increases for retired Eveleth police officers, firefighters, and surviving spouses.

The bill was read for the third 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:

Anderson, B.	Elioff	Knickerbocker	Osthoff	Skoglund
Anderson, G.	Ellingson	Knuth	Otis	Solberg
Anderson, R.	Erickson	Kostohryz	Pauly	Sparby
Battaglia	Evans	Krueger	Peterson	Staten
Beard	Findlay	Kvam	Picpho	Swiggum
Begich	Fjoslien	Larsen	Piper	Swanson
Bennett	Forsythe	Levi	Price	Tomlinson
Bergstrom	Frerichs	Long	Quist	Tunheim
Bishop	Graba	Ludeman	Redalen	Upphus
Blatz	Greenfield	Mann	Reif	Valan
Boo	Gruenes	Marsh	Riveness	Valento
Brandl	Gustafson	McDonald	Rodosovich	Vanasek
Brinkman	Gutknecht	McEachern	Rodriguez, C.	Vellenga
Burger	Halberg	McKasy	Rodriguez, F.	Voss
Carlson, D.	Haukoos	Metzen	Rose	Waltman
Carlson, L.	Heap	Minne	St. Onge	Welch
Clark, J.	Heinitz	Munger	Sarna	Welker
Clark, K.	Hoffman	Murphy	Schafer	Welle
Clawson	Hokr	Nelson, D.	Scheid	Wenzel
Cohen	Jacobs	Nelson, K.	Schreiber	Wigley
Coleman	Jennings	Neuenschwander	Seaberg	Wynia
Dempsey	Jensen	O'Connor	Segal	Zaffke
DenOuden	Johnson	Ogren	Shea	Speaker Sieben
Dimler	Kalis	Olsen	Sherman	
Eken	Kelly	Omann	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1813, A bill for an act relating to hospital districts; providing for loans to students in health-related educational programs; amending Minnesota Statutes 1982, section 447.331.

The bill was read for the third 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:

Anderson, B.	Cohen	Gutknecht	Larsen	Ogren
Anderson, G.	Coleman	Halberg	Levi	Olsen
Anderson, R.	Dempsey	Haukoos	Long	Omann
Battaglia	DenOuden	Heap	Ludeman	Osthoff
Beard	Dimler	Heinitz	Mann	Otis
Begich	Eken	Hoffman	Marsh	Pauly
Bennett	Elioff	Hokr	McDonald	Peterson
Bergstrom	Ellingson	Jacobs	McEachern	Picpho
Bishop	Erickson	Jennings	McKasy	Piper
Blatz	Evans	Jensen	Metzen	Price
Boo	Findlay	Johnson	Minne	Quinn
Brandl	Fjoslien	Kalis	Munger	Quist
Brinkman	Forsythe	Kelly	Murphy	Redalen
Burger	Frerichs	Knickerbocker	Nelson, D.	Reif
Carlson, D.	Graba	Knuth	Nelson, K.	Riveness
Carlson, L.	Greenfield	Kostohryz	Neuenschwander	Rodosovich
Clark, J.	Gruenes	Krueger	Norton	Rodriguez, C.
Clawson	Gustafson	Kvam	O'Connor	Rodriguez, F.

Rose	Seaberg	Sparby	Valan	Welker
St. Onge	Segal	Staten	Valento	Welle
Sarna	Shea	Sviggum	Vanasek	Wenzel
Schafer	Sherman	Swanson	Vellenga	Wigley
Scheid	Simoneau	Tomlinson	Voss	Wynia
Schoenfeld	Skoglund	Tunheim	Waltman	Zaffke
Schreiber	Solberg	Uphus	Welch	Speaker Sieben

The bill was passed and its title agreed to.

Schoenfeld was excused between the hours of 2:25 p.m. and 2:50 p.m.

H. F. No. 1819, A bill for an act relating to health; requiring that hearing aid sellers give buyers a right to cancel their purchase; amending Minnesota Statutes 1982, section 145.43, by adding a subdivision; repealing Minnesota Statutes 1982, sections 145.43, subdivision 2; and 145.44.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 108 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Eken	Kvam	Otis	Skoglund
Anderson, G.	Elioff	Larsen	Pauly	Solberg
Anderson, R.	Ellingson	Levi	Peterson	Sparby
Battaglia	Findlay	Long	Piepho	Staten
Beard	Forsythe	Mann	Piper	Sviggum
Begich	Graba	Marsh	Price	Swanson
Bennett	Greenfield	McDonald	Quist	Tomlinson
Bergstrom	Gruenes	McEachern	Redalen	Tunheim
Bishop	Gustafson	McKasy	Reif	Uphus
Blatz	Gutknecht	Metzen	Riveness	Valento
Boo	Halberg	Minne	Rodosovich	Vanasek
Brandl	Heinitz	Munger	Rodriguez, C.	Vellenga
Brinkman	Hoffman	Murphy	Rodriguez, F.	Voss
Burger	Hokr	Nelson, D.	Rose	Waltman
Carlson, D.	Jacobs	Nelson, K.	St. Onge	Welch
Carlson, L.	Jensen	Neuenschwander	Sarna	Welle
Clark, J.	Johnson	Norton	Scheid	Wenzel
Clark, K.	Kalis	O'Connor	Seaberg	Wynia
Clawson	Kelly	Ogren	Segal	Zaffke
Cohen	Knuth	Olsen	Shea	Speaker Sieben
Coleman	Kostohryz	Omman	Sherman	
Dimler	Krueger	Osthoff	Simoneau	

Those who voted in the negative were:

Dempsey	Evans	Jennings	Schafer	Welker
DenOuden	Frerichs	Knickerbocker	Schreiber	Wigley
Erickson	Haukoos	Ludeman		

The bill was passed and its title agreed to.



H. F. No. 1822 was reported to the House.

Carlson, D., moved that H. F. No. 1822 be returned to the bottom of General Orders. The motion prevailed.

H. F. No. 1860, A bill for an act relating to horse racing; providing for the distribution of proceeds from the Minnesota Breeders Fund; amending Minnesota Statutes 1983 Supplement, section 240.18.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Otis	Solberg
Anderson, G.	Erickson	Kostohryz	Pauly	Sparby
Anderson, R.	Evans	Krueger	Peterson	Staten
Battaglia	Findlay	Kvam	Piepho	Sviggun
Beard	Fjoslien	Larsen	Piper	Swanson
Begich	Forsythe	Levi	Price	Tomlinson
Bennett	Frerichs	Long	Quinn	Tunheim
Bergstrom	Graba	Mann	Quist	Uphus
Bishop	Greenfield	Marsh	Redalen	Valan
Blatz	Gruenes	McDonald	Reif	Valento
Boo	Gustafson	McEachern	Riveness	Vanasek
Brandl	Gutknecht	McKasy	Rodosovich	Voss
Brinkman	Halberg	Metzen	Rodriguez, C.	Waltman
Burger	Haukoos	Minne	Rodriguez, F.	Welch
Carlson, L.	Heap	Munger	Rose	Welker
Clark, J.	Heinitz	Murphy	St. Onge	Welle
Clark, K.	Hoffman	Nelson, D.	Sarna	Wenzel
Clawson	Hokr	Nelson, K.	Schafer	Wigley
Cohen	Jacobs	Neuenschwander	Schreiber	Wynia
Coleman	Jennings	Norton	Seaberg	Zaffke
Dempsey	Jensen	O'Connor	Segal	Speaker Sieben
DenOuden	Johnson	Ogren	Shea	
Dimler	Kalis	Olsen	Sherman	
Eken	Kelly	Omann	Simoneau	
Elioff	Knickerbocker	Osthoff	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1909 was reported to the House.

Upon objection of ten members H. F. No. 1909 was stricken from the Consent Calendar and returned to General Orders.

H. F. No. 1917, A bill for an act relating to elections; limiting membership on a county canvassing board; amending Minnesota Statutes 1982, section 204C.31, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Knickerbocker	Omann	Sherman
Anderson, C.	Ellingson	Knuth	Osthoff	Simoneau
Anderson, R.	Erickson	Kostohryz	Otis	Skoglund
Battaglia	Evans	Krueger	Pauly	Solberg
Beard	Findlay	Kyam	Peterson	Sparby
Begich	Fjoslien	Larsen	Piepho	Staten
Bennett	Forsythe	Levi	Piper	Sviggum
Bergstrom	Frerichs	Long	Price	Swanson
Bishop	Graba	Ludeman	Quinn	Tomlinson
Blatz	Greenfield	Mann	Quist	Tunheim
Boo	Gruenes	Marsh	Redalen	Uphus
Brandl	Gustafson	McDonald	Reif	Valan
Brinkman	Gutknecht	McEachern	Riveness	Valento
Burger	Halberg	McKasy	Rodosovich	Vanasek
Carlson, D.	Haukoos	Metzen	Rodriguez, C.	Vellenga
Carlson, L.	Heap	Minne	Rodriguez, F.	Voss
Clark, J.	Heinitz	Munger	Rose	Waltman
Clark, K.	Hoffman	Murphy	St. Ouge	Welch
Clawson	Hokr	Nelson, D.	Sarna	Welker
Cohen	Jacobs	Nelson, K.	Schafer	Welle
Coleman	Jennings	Neuenschwander	Scheid	Wenzel
Dempsey	Jensen	Norton	Schreiber	Wigley
DenOuden	Johnson	O'Connor	Seaberg	Wynia
Dimler	Kalis	Ogren	Segal	Zaffke
Eken	Kelly	Olsen	Shea	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1961, A bill for an act relating to state departments and agencies; changing the composition and powers of the board of private detective and protective agent services; changing requirements for obtaining a license; amending Minnesota Statutes 1982, sections 326.33; 326.331; 326.332, subdivision 1; and 326.333; repealing Minnesota Statutes 1982, section 299C.01, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Bergstrom	Burger	Cohen	Elioff
Anderson, G.	Bishop	Carlson, D.	Coleman	Ellingson
Battaglia	Blatz	Carlson, L.	Dempsey	Erickson
Beard	Boo	Clark, J.	DenOuden	Evans
Begich	Brandl	Clark, K.	Dimler	Findlay
Bennett	Brinkman	Clawson	Eken	Fjoslien

Forsythe	Knickerbocker	Nelson, K.	Rodosovich	Swanson
Frerichs	Knuth	Neuenschwander	Rodriguez, C.	Tomlinson
Graba	Kostohryz	Norton	Rodriguez, F.	Tunheim
Greenfield	Krueger	O'Connor	Rose	Uphus
Gruenes	Kvam	Ogren	St. Onge	Valan
Gustafson	Larsen	Olsen	Sarna	Valento
Gutknecht	Levi	Omann	Schafer	Vanasek
Halberg	Long	Osthoff	Scheid	Vellenga
Haukoos	Ludeman	Otis	Schreiber	Voss
Heap	Mann	Pauly	Seaberg	Waltman
Heinitz	Marsh	Peterson	Segal	Welch
Hoffman	McDonald	Piepho	Shea	Welker
Hokr	McEachern	Piper	Sherman	Welle
Jacobs	McKasy	Price	Simoneau	Wenzel
Jennings	Metzen	Quinn	Skoglund	Wigley
Jensen	Minne	Quist	Solberg	Wynia
Johnson	Munger	Redalen	Sparby	Zaffke
Kalis	Murphy	Reif	Staten	Speaker Sieben
Kelly	Nelson, D.	Riveness	Sviggum	

The bill was passed and its title agreed to.

H. F. No. 1975, A bill for an act relating to transportation; allowing entire portions of former trunk highways to revert to counties under certain circumstances; discontinuing a trunk highway route; amending Minnesota Statutes 1982, section 161.16, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Otis	Solberg
Anderson, G.	Erickson	Kostohryz	Pauly	Sparby
Anderson, R.	Evans	Krueger	Peterson	Staten
Battaglia	Findlay	Kvam	Piepho	Sviggum
Beard	Fjoslien	Larsen	Piper	Swanson
Begich	Forsythe	Levi	Price	Tomlinson
Bennett	Frerichs	Long	Quinn	Tunheim
Bergstrom	Graba	Ludeman	Quist	Uphus
Bishop	Greenfield	Mann	Redalen	Valan
Blatz	Gruenes	Marsh	Reif	Valento
Boo	Gustafson	McDonald	Rice	Vanasek
Brandl	Gutknecht	McEachern	Riveness	Vellenga
Brinkman	Halberg	McKasy	Rodosovich	Voss
Burger	Haukoos	Metzen	Rodriguez, C.	Waltman
Carlson, D.	Heap	Minne	Rodriguez, F.	Welch
Carlson, L.	Heinitz	Munger	Rose	Welker
Clark, J.	Hoffman	Murphy	Sarna	Welle
Clark, K.	Hokr	Nelson, D.	Schafer	Wenzel
Clawson	Jacobs	Nelson, K.	Scheid	Wigley
Cohen	Jennings	Neuenschwander	Schreiber	Wynia
Coleman	Jensen	Norton	Seaberg	Zaffke
Dempsey	Johnson	O'Connor	Segal	Speaker Sieben
DenOuden	Kahu	Ogren	Shea	
Dimler	Kalis	Olsen	Sherman	
Eken	Kelly	Omann	Simoneau	
Eloff	Knickerbocker	Osthoff	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1985, A bill for an act relating to occupations and professions; regulating the licensing of salons for estheticians; amending Minnesota Statutes 1982, section 155A.08, 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 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Otis	Solberg
Anderson, G.	Erickson	Kostohryz	Pauly	Sparby
Anderson, R.	Evans	Krueger	Peterson	Staten
Battaglia	Findlay	Kvam	Piepho	Sviggum
Beard	Fjoslien	Larsen	Piper	Swanson
Begich	Forsythe	Levi	Price	Tomlinson
Bennett	Frerichs	Long	Quinn	Tunheim
Bergstrom	Graba	Ludeman	Quist	Uphus
Bishop	Greenfield	Mann	Redalen	Valan
Blatz	Gruenes	Marsh	Reif	Valento
Boo	Gustafson	McDonald	Riveness	Vanavek
Brandt	Gutknecht	McEachern	Rodosovich	Vellenga
Brinkman	Halberg	McKasy	Rodriguez, C.	Voss
Burger	Haukoos	Metzen	Rodriguez, F.	Waltman
Carlson, D.	Heap	Minne	Rose	Welch
Carlson, L.	Heinritz	Munger	St. Onge	Welker
Clark, J.	Hoffman	Murphy	Sarna	Welle
Clark, K.	Hokr	Nelson, D.	Schafer	Wenzel
Clawson	Jacobs	Nelson, K.	Scheid	Wigley
Cohen	Jennings	Neuenschwander	Schreiber	Wynia
Coleman	Jensen	Norton	Seaberg	Zaifke
Dempsey	Johnson	O'Connor	Segal	Speaker Sieben
DenOuden	Kahn	Ogren	Shea	
Dimler	Kalis	Olsen	Sherman	
Eken	Kelly	Omann	Simoneau	
Elioff	Knickerbocker	Osthoff	Skoglund	

Those who voted in the negative were:

Rice

The bill was passed and its title agreed to.

H. F. No. 2038, A bill for an act relating to local government; providing procedures for making certain contracts; amending Minnesota Statutes 1983 Supplement, section 471.345, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Pauly	Solberg
Anderson, G.	Erickson	Kostohryz	Peterson	Spabby
Anderson, R.	Evans	Krueger	Piepho	Staten
Battaglia	Findlay	Kvam	Piper	Swiggum
Beard	Fjoslien	Larsen	Price	Swanson
Begich	Forsythe	Levi	Quinn	Tomlinson
Bennett	Frerichs	Long	Quist	Tunheim
Bergstrom	Graba	Ludeman	Redalen	Uphus
Bishop	Greenfield	Mann	Reif	Valan
Blatz	Gruenes	Marsh	Rice	Valento
Boo	Gustafson	McDonald	Riveness	Vanasek
Brandl	Gutknecht	McEachern	Rodosovich	Vellenga
Brinkman	Halberg	McKasy	Rodriguez, C.	Voss
Burger	Haukoos	Metzen	Rodriguez, F.	Waltman
Carlson, D.	Heap	Minne	Rose	Welch
Carlson, L.	Heinitz	Munger	St. Onge	Welker
Clark, J.	Hoffman	Murphy	Sarna	Welle
Clark, K.	Hokr	Nelson, D.	Schafer	Wenzel
Clawson	Jacobs	Nelson, K.	Scheid	Wigley
Cohen	Jennings	Neuenschwander	Schreiber	Wynia
Coleman	Jensen	Norton	Seaberg	Zaffke
Dempsey	Johnson	O'Connor	Segal	Speaker Sieben
DenOuden	Kahn	Ogren	Shea	
Dimler	Kalis	Olsen	Sherman	
Eken	Kelly	Omann	Simoneau	
Elioff	Knickerbocker	Otis	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 2087, A bill for an act relating to health; requiring disclosure of certain medical data or medical information for the purpose of a lawful investigation; amending Minnesota Statutes 1982, sections 13.42, subdivision 2; 144.335; and 254A.09.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, L.	Fjoslien	Jennings	Marsh
Anderson, G.	Clark, J.	Forsythe	Jensen	McDonald
Anderson, R.	Clark, K.	Frerichs	Johnson	McEachern
Battaglia	Clawson	Graba	Kalis	McKasy
Beard	Cohen	Greenfield	Kelly	Metzen
Begich	Coleman	Gruenes	Knickerbocker	Minne
Bennett	Dempsey	Gustafson	Knuth	Munger
Bergstrom	DenOuden	Gutknecht	Kostohryz	Murphy
Bishop	Dimler	Halberg	Krueger	Nelson, D.
Blatz	Eken	Haukoos	Kvam	Nelson, K.
Boo	Elioff	Heap	Larsen	Neuenschwander
Brandl	Ellingson	Heinitz	Levi	Norton
Brinkman	Erickson	Hoffman	Long	O'Connor
Burger	Evans	Hokr	Ludeman	Ogren
Carlson, D.	Findlay	Jacobs	Mann	Olsen

Omann	Reif	Schreiber	Sviggum	Waltman
Osthoff	Rice	Segal	Swanson	Welch
Otis	Riveness	Shea	Tomlinson	Welker
Pauly	Rodosovich	Sherman	Tunheim	Welle
Peterson	Rodriguez, F.	Simoneau	Uphus	Wenzel
Piepho	Rose	Skoglund	Valan	Wigley
Piper	St. Onge	Solberg	Valento	Wynia
Price	Sarna	Sparby	Vanasek	Zaffke
Quist	Schafer	Stadum	Vellenga	Speaker Sieben
Redalen	Scheid	Staten	Voss	

The bill was passed and its title agreed to.

H. F. No. 2141, A bill for an act relating to commerce; modifying the definition of "franchise" for purposes of franchise regulation; amending Minnesota Statutes 1982, section 80C.01, subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knuth	Otis	Skoglund
Anderson, G.	Evans	Kostohryz	Pauly	Solberg
Anderson, R.	Findlay	Krueger	Peterson	Sparby
Battaglia	Fjoslien	Kvam	Piper	Stadum
Beard	Forsythe	Larsen	Price	Staten
Begich	Frerichs	Levi	Quinn	Sviggum
Bennett	Graba	Long	Quist	Swanson
Bergstrom	Greenfield	Ludeman	Redalen	Tomlinson
Bishop	Gruenes	Mann	Reif	Tunheim
Blatz	Gustafson	Marsh	Rice	Uphus
Boo	Gutknecht	McDonald	Riveness	Valan
Brandl	Halberg	McEachern	Rodosovich	Valento
Brinkman	Haukoos	McKasy	Rodriguez, C.	Vanasek
Burger	Heap	Metzen	Rodriguez, F.	Vellenga
Carlson, D.	Heinitz	Minne	Rose	Voss
Carlson, L.	Hoffman	Murphy	St. Onge	Waltman
Clark, J.	Hokr	Nelson, D.	Sarna	Welch
Clark, K.	Jacobs	Nelson, K.	Schafer	Welker
Cohen	Jennings	Neuenschwander	Scheid	Welle
Coleman	Jensen	Norton	Schreiber	Wenzel
DenOuden	Johnson	O'Connor	Seaberg	Wynia
Dimler	Kahn	Ogren	Segal	Zaffke
Eken	Kalis	Olsen	Shea	Speaker Sieben
Elioff	Kelly	Omann	Sherman	
Ellingson	Knickerbocker	Osthoff	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 2150, A bill for an act relating to newspapers; making certain publications legal newspapers; proposing new law coded in Minnesota Statutes, chapter 331.

The bill was read for the third 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:

Anderson, B.	Elioff	Knickerbocker	Otis	Skoglund
Anderson, G.	Ellingson	Knuth	Pauly	Solberg
Anderson, R.	Erickson	Kostohryz	Peterson	Sparby
Battaglia	Evans	Krueger	Piepho	Stadum
Beard	Findlay	Kvam	Piper	Staten
Begich	Forsythe	Larsen	Price	Sviggum
Bennett	Frerichs	Levi	Quinn	Swanson
Bergstrom	Graba	Long	Quist	Tomlinson
Bishop	Greenfield	Ludeman	Redalen	Tunheim
Blatz	Gruenes	Marsh	Reif	Uphus
Boo	Gustafson	McDonald	Rice	Valan
Brandl	Gutknecht	McEachern	Rivness	Valento
Brinkman	Halberg	McKasy	Rodosovich	Vanasek
Burger	Haukoos	Metzen	Rodriguez, C.	Vellenga
Carlson, D.	Heap	Minne	Rodriguez, F.	Voss
Carlson, L.	Heinitz	Murphy	Rose	Waltman
Clark, J.	Hoffman	Nelson, D.	St. Onge	Welch
Clark, K.	Hokr	Nelson, K.	Sarna	Welker
Clawson	Jacobs	Neuenschwander	Schafer	Welle
Cohen	Jennings	Norton	Schreiber	Wenzel
Coleman	Jensen	O'Connor	Seaberg	Wigley
Dempsey	Johnson	Ogren	Segal	Wynia
DenOuden	Kahn	Olsen	Shea	Zaffke
Dimler	Kalis	Omann	Sherman	Speaker Sicben
Eken	Kelly	Osthoff	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 2196, A bill for an act relating to local government; providing for the conveyance of certain tax forfeited land in Morrison County.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Brinkman	Eken	Gruenes	Jensen
Anderson, R.	Burger	Elioff	Gustafson	Johnson
Battaglia	Carlson, D.	Ellingson	Gutknecht	Kahn
Beard	Carlson, L.	Erickson	Halberg	Kalis
Begich	Clark, J.	Evans	Haukoos	Kelly
Bennett	Clark, K.	Findlay	Heap	Knickerbocker
Bergstrom	Clawson	Fjoslien	Heinitz	Knuth
Bishop	Cohen	Forsythe	Hoffman	Kostohryz
Blatz	Coleman	Frerichs	Hokr	Krueger
Boo	DenOuden	Graba	Jacobs	Kvam
Brandl	Dimler	Greenfield	Jennings	Larsen

Levi	Neuenschwander	Quist	Segal	Valan
Long	Norton	Redalen	Shea	Valento
Ludeman	O'Connor	Reif	Sherman	Vanasek
Mann	Ogren	Riveness	Simoneau	Vellenga
Marsh	Olsen	Rodosovich	Skoglund	Voss
McDonald	Omann	Rodriguez, C.	Solberg	Waltman
McEachern	Osthoff	Rodriguez, F.	Sparby	Welch
McKasy	Otis	Rose	Stadum	Welker
Metzen	Pauly	St. Onge	Staten	Welle
Minne	Peterson	Sarna	Sviggum	Wenzel
Munger	Piepho	Schafer	Swanson	Wigley
Murphy	Piper	Scheid	Tomlinson	Wynia
Nelson, D.	Price	Schreiber	Tunheim	Zaffke
Nelson, K.	Quinn	Seaberg	Uphus	Speaker Sieben

The bill was passed and its title agreed to.

S. F. No. 1453, A bill for an act relating to public welfare; making county of residence financially responsible for detoxification services provided to chemical dependency facility clients; amending Minnesota Statutes 1983 Supplement, section 256E.08, subdivision 7.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Otis	Simoneau
Anderson, C.	Erickson	Krueger	Pauly	Skoglund
Anderson, R.	Evans	Kvam	Peterson	Solberg
Battaglia	Findlay	Larsen	Piepho	Sparby
Beard	Fjoslien	Levi	Piper	Stadum
Begich	Forsythe	Long	Price	Staten
Bennett	Frerichs	Ludeman	Quinn	Sviggum
Bergstrom	Graba	Mann	Quist	Swanson
Bishop	Greenfield	Marsh	Redalen	Tomlinson
Blatz	Gruenes	McDonald	Reif	Tunheim
Brandl	Gustafson	McEachern	Rice	Uphus
Brinkman	Gutknecht	McKasy	Riveness	Valan
Burger	Halberg	Metzen	Rodosovich	Valento
Carlson, D.	Haukoos	Minne	Rodriguez, C.	Vanasek
Carlson, L.	Heap	Munger	Rodriguez, F.	Vellenga
Clark, J.	Heinitz	Murphy	Rose	Voss
Clark, K.	Hoffman	Nelson, D.	St. Onge	Waltman
Clawson	Hokr	Nelson, K.	Sarna	Welch
Cohen	Jacobs	Neuenschwander	Schafer	Welker
Coleman	Jensen	Norton	Scheid	Welle
Dempsey	Johnson	O'Connor	Schreiber	Wenzel
DenOuden	Kahn	Ogren	Seaberg	Wigley
Dimier	Kelly	Olsen	Segal	Wynia
Eken	Knickerbocker	Omann	Shea	Zaffke
Elioff	Knuth	Osthoff	Sherman	Speaker Sieben

The bill was passed and its title agreed to.



S. F. No. 1475, A bill for an act relating to communications; permitting a municipality to be represented by its designee on a joint cable communication commission; amending Minnesota Statutes 1982, section 238.08, subdivision 5.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knickerbocker	Pauly	Skoglund
Anderson, G.	Erickson	Knuth	Peterson	Solberg
Anderson, R.	Evans	Kostohryz	Piepho	Sparby
Battaglia	Findlay	Krueger	Piper	Stadum
Beard	Fjoslien	Kvam	Price	Staten
Begich	Forsythe	Larsen	Quinn	Sviggum
Bennett	Frerichs	Levi	Quist	Swanson
Bergstrom	Graba	Long	Redalen	Tomlinson
Bishop	Greenfield	Ludeman	Reif	Tunheim
Blatz	Gruenes	Marsh	Rice	Uphus
Boo	Gustafson	McDonald	Riveness	Valan
Brandl	Gutknecht	McEachern	Rodosovich	Valento
Brinkman	Halberg	McKasy	Rodriguez, C.	Vanasek
Burger	Haukoos	Metzen	Rodriguez, F.	Vellenga
Carlson, L.	Heap	Minne	Rose	Voss
Clark, J.	Heinitz	Murphy	St. Onge	Waltman
Clark, K.	Hoffman	Nelson, D.	Sarna	Welch
Clawson	Hokr	Nelson, K.	Schafer	Welker
Cohen	Jacobs	Neuenschwander	Scheid	Welle
Coleman	Jennings	Norton	Schreiber	Wenzel
Dempsey	Jensen	O'Connor	Seaberg	Wigley
DenOuden	Johnson	Ogren	Segal	Wynia
Dimler	Kahn	Olsen	Shea	Zaffke
Eken	Kalis	Omann	Sherman	Speaker Sieben
Elioff	Kelly	Otis	Simoneau	

Those who voted in the negative were:

Osthoff

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 1528, A bill for an act relating to taxation; updating references to the internal revenue code; simplifying certain income tax and property tax refund provisions; increasing the interest rate on refunds; making technical corrections and administrative changes to income tax, inheritance tax, and property tax refund provisions; amending Minnesota Statutes 1982, sections 10A.31, subdivision 1; 62E.11, subdivision 8; 270A.07, subdivision 5; 271.12; 271.19; 290.01, subdivision 20e; 290.05, subdivision 4; 290.06, subdivisions 3e, and 3f; 290.095, subdivision

11; 290.17, subdivision 1a; 290.23, subdivision 3; 290.311, subdivision 1; 290.41, subdivision 2, and by adding a subdivision; 290.56, subdivisions 4 and 5; 290.61; 290.92, subdivision 11; 290.931, subdivision 1; 290.936; and 290A.07, subdivision 2a; 291.18; 294.09, subdivision 1; 298.09, subdivision 4; 299.05; and 600.21; Minnesota Statutes 1983 Supplement, sections 290.01, subdivisions 20, 20a, 20b, and 20f; 290.032, subdivision 2; 290.06, subdivisions 2c, 3d, 11, 13, and 14; 290.067, subdivisions 1 and 2; 290.077, subdivision 4; 290.089, subdivisions 2 and 3; 290.09, subdivisions 5 and 29; 290.091; 290.10; 290.17, subdivisions 1 and 2; 290.174; 290.175; 290.18, subdivision 1; 290.21, subdivision 3; 290.37, subdivision 1; 290.431; 290.45, subdivision 1; 290.46; 290.50, subdivision 1; 290.92, subdivisions 13 and 26; 290.93, subdivisions 9 and 10; 290.9726, subdivision 5; 290A.03, subdivisions 3, 6, 11, 12, and 14; 290A.04, subdivisions 1 and 2; 290A.07, subdivision 3; and 296.18, subdivision 1; 297A.35, subdivision 1; and Laws 1980, chapter 439, section 36; proposing new law coded in Minnesota Statutes, chapter 270; repealing Minnesota Statutes 1982, sections 290.011; 290.311, subdivision 2; Minnesota Statutes 1983 Supplement, section 290A.16; and Laws 1983, chapter 207, section 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Knickerbocker	Otis	Simoneau
Anderson, G.	Ellingson	Knuth	Pauly	Skoglund
Anderson, R.	Erickson	Kostohryz	Peterson	Sparby
Battaglia	Evans	Krueger	Piepho	Stadum
Beard	Findlay	Larsen	Piper	Staten
Begich	Fjoslien	Levi	Price	Sviggum
Bennett	Forsythe	Long	Quinn	Swanson
Bergstrom	Frerichs	Mann	Quist	Tomlinson
Bishop	Graba	Marsh	Redalen	Tunheim
Blatz	Greenfield	McDonald	Reif	Uphus
Boo	Gruenes	McEachern	Rice	Valan
Brandl	Gustafson	McKasy	Riveness	Valento
Brinkman	Gutknecht	Metzen	Rodosovich	Vanasek
Burger	Halberg	Minne	Rodriguez, C.	Vellenga
Carlson, D.	Heap	Munger	Rodriguez, F.	Voss
Carlson, L.	Heinritz	Murphy	Rose	Waltman
Clark, J.	Hoffman	Nelson, D.	St. Onge	Welch
Clark, K.	Hokr	Nelson, K.	Sarna	Welker
Clawson	Jacobs	Neuenschwander	Scheid	Welle
Cohen	Jennings	Norton	Schoenfeld	Wenzel
Coleman	Jensen	O'Connor	Schreiber	Wigley
Dempsey	Johnson	Ogren	Seaberg	Wynia
DenOuden	Kahn	Olsen	Segal	Zaifke
Dimler	Kalis	Omamm	Shea	Speaker Sieben
Eken	Kelly	Osthoff	Sherman	

Those who voted in the negative were:

Kvam

The bill was passed and its title agreed to.

H. F. No. 735, A bill for an act relating to insurance; providing for certain unfair or deceptive acts or practices; prescribing penalties; amending Minnesota Statutes 1982, section 72A.20, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 72A.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 70 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Elihoff	Long	Piper	Skoglund
Battaglia	Ellingson	Mann	Price	Solberg
Beard	Graba	Metzen	Quinn	Sparby
Begich	Greenfield	Minne	Quist	Staten
Bergstrom	Gustafson	Munger	Riveness	Swanson
Bishop	Halberg	Murphy	Rodosovich	Tomlinson
Brandl	Hoffman	Nelson, D.	Rodriguez, C.	Tunheim
Carlson, L.	Jacobs	Nelson, K.	Rodríguez, F.	Vanasek
Clark, J.	Jensen	Neuenschwander	St. Onge	Vellenga
Clark, K.	Kahn	Norton	Sarna	Voss
Clawson	Kelly	O'Connor	Scheid	Welch
Cohen	Knuth	Ogren	Scheenfeld	Wenzel
Coleman	Kostohryz	Otis	Segal	Wynia
Eken	Larsen	Peterson	Shea	Speaker Sieben

Those who voted in the negative were:

Anderson, B.	Evans	Johnson	Omann	Sviggum
Anderson, R.	Findlay	Kalis	Pauly	Uphus
Bennett	Fjoslien	Knickerbocker	Piepho	Valan
Blatz	Forsythe	Krueger	Redalen	Valento
Boo	Frerichs	Kvam	Reif	Waltman
Brinkman	Gruenes	Levi	Rose	Welker
Burger	Gutknecht	Ludeman	Schafer	Welle
Carlson, D.	Haukoos	Marsh	Schreiber	Wigley
Dempsey	Heap	McDonald	Seaberg	Zaffke
DenOuden	Heinitz	McEachern	Sherman	
Dimler	Hokr	McKasy	Simoneau	
Erickson	Jennings	Olsen	Stadum	

The bill was passed and its title agreed to.

Knuth and Norton were excused at 4:30 p.m.

## GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole with Sieben in the Chair for the consideration of bills pending on General Orders of the Day. Wynia presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

## REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. Nos. 1655, 1761, 1786 and 1856 which it recommended to pass.

S. F. Nos. 1350 and 1127 which it recommended to pass.

H. F. Nos. 1557, 347 and 1345 which it recommended progress.

S. F. No. 214 which it recommended progress.

H. F. No. 1562 which it recommended to pass with the following amendments:

Offered by Blatz:

Delete everything after the enacting clause and insert:

“Section 1. [181.145] [PROMPT PAYMENT OF COMMISSIONS TO COMMISSION SALESPERSONS.]

*Subdivision 1. [DEFINITIONS.] For the purposes of this section, “commission salesperson” means a person who is paid on the basis of commissions for sales and who is not covered by sections 181.13 and 181.14 because he or she is an independent contractor. For the purposes of this section, the phrase “commissions earned through the last day of employment” means commissions due for services or merchandise which have actually been delivered to and accepted by the customer by the final day of the salesperson’s employment.*

*Subd. 2. [PROMPT PAYMENT REQUIRED.] (a) When any person, firm, company, association, or corporation employing a commission salesperson in this state terminates the salesperson, or when the salesperson resigns his or her position, the employer shall promptly pay the salesperson, at the usual place of payment, his or her commissions earned through the last day*

of employment or be liable to the salesperson for the penalty provided under subdivision 3 in addition to any earned commissions.

(b) If the employer terminates the salesperson or if the salesperson resigns giving at least five days written notice, the employer shall pay the salesperson's commissions earned through the last day of employment on demand no later than three working days after the salesperson's last day of work.

(c) If the salesperson resigns without giving at least five days written notice, the employer shall pay the salesperson's commissions earned through the last day of employment on demand no later than six working days after the salesperson's last day of work.

(d) Notwithstanding the provisions of paragraphs (b) and (c), if the terminated or resigning salesperson was, during his or her employment, entrusted with the collection, disbursement, or handling of money or property, the employer has ten working days after the termination of employment to audit and adjust the accounts of the salesperson before the salesperson can demand his or her commissions earned through the last day of employment. In such cases, the penalty provided in subdivision 3 shall apply only from the date of demand made after the expiration of the ten working day audit period.

**Subd. 3. [PENALTY FOR NON-PROMPT PAYMENT.]**

If the employer fails to pay the salesperson his or her commissions earned through the last day of employment on demand within the applicable period as provided under subdivision 2, the employer shall be liable to the salesperson, in addition to his or her earned commissions, for a penalty for each day, not exceeding 15 days, which the employer is late in making full payment or satisfactory settlement to the salesperson for the commissions earned through the last day of employment. The daily penalty shall be in an amount equal to one-fifteenth of the salesperson's commissions earned through the last day of employment which are still unpaid at the time that the penalty will be assessed.

**Subd. 4. [AMOUNT OF COMMISSION DISPUTED.]**

(a) When there is a dispute concerning the amount of the salesperson's commissions earned through the last day of employment or whether the employer has properly audited and adjusted the salesperson's account, the penalty provided in subdivision 3 shall not apply if the employer pays the amount it in good faith believes is owed the salesperson for commissions earned through the last day of employment within the applicable period as provided under subdivision 2; except that, if the dispute is later adjudicated and it is determined that the salesperson's commissions earned through the last day of employment were greater than the amount paid by the employer, the penalty provided in subdivision 3 shall apply.

*(b) If a dispute under this subdivision is later adjudicated and it is determined that the salesperson was not promptly paid commissions earned through the last day of employment as provided under subdivision 2, the employer shall pay reasonable attorney's fees incurred by the salesperson.*

*Subd. 5. [COMMISSIONS EARNED AFTER LAST DAY OF EMPLOYMENT.] Nothing in this section shall be construed to impair a commission salesperson from collecting commissions on merchandise ordered prior to the last day of employment but delivered and accepted after termination of employment. However, the penalties prescribed in subdivision 3 apply only with respect to the payment of commissions earned through the last day of employment."*

Further, delete the title and insert:

"A bill for an act relating to labor; providing for the prompt payment of commissions to commission salespersons who leave or lose their job; providing civil penalties for non-prompt payment; proposing new law coded in Minnesota Statutes, chapter 181."

Offered by Seaberg:

Page 1, after line 2 of the Blatz amendment, insert:

"Section 1. Minnesota Statutes 1982, section 181.13, is amended to read:

**181.13 [PENALTY FOR FAILURE TO PAY WAGES PROMPTLY.]**

When any person, firm, company, association, or corporation employing labor within this state discharges a servant or employee (FROM HIS EMPLOYMENT), the wages or commissions actually earned and unpaid at the time of (SUCH) the discharge shall become immediately due and payable upon demand of (SUCH) the employee (, AT THE USUAL PLACE OF PAYMENT, AND). *If the employee's earned wages and commissions are not paid within 24 hours after such demand, whether (SUCH) the employment was by the day, hour, week, month, or piece or by commissions, (SUCH) the discharged employee may charge and collect the amount of his or her average daily earnings at the rate agreed upon in the contract of employment, for such period, not exceeding 15 days, after the expiration of the 24 hours, as the employer is in default, until full payment or other settlement, satisfactory to the discharged employee, is made. The wages and commissions must be paid at the usual place of payment unless the employee requests that the wages and commissions be sent to him or her through the mails. If, in accordance with a request by the employee, the employee's wages and commissions are sent to the employee through the*

*mail, the wages and commissions shall be deemed to have been paid as of the date of their postmark for the purposes of this section.*

Sec. 2. Minnesota Statutes 1982, section 181.14, is amended to read:

**181.14. [NOTICE TO BE GIVEN; SETTLEMENT OF DISPUTES.]**

When any such employee, not having a contract for a definite period of service, quits or resigns his or her employment, the wages or commissions earned and unpaid at the time (OF SUCH QUITTING OR RESIGNATION) *the employee quits or resigns* shall become due and payable within five days thereafter (, AT THE USUAL PLACE OF PAYMENT, AND). Any (SUCH) employer failing or refusing to pay such wages or commissions, after they (SO) become due, upon the demand of (SUCH) *the employee*, (AT SUCH PLACE OF PAYMENT,) shall be liable to (SUCH) *the employee* from the date of (SUCH) *the demand* for an additional sum equal to the amount of (HIS) *the employee's* average daily earnings provided in the contract of employment, for every day, not exceeding 15 days in all, until such payment or other settlement satisfactory to the employee is made (; PROVIDED, THAT). If any employee having such a contract gives not less than five days' written notice to (HIS) *the employer* of his or her intention to quit (SUCH EMPLOYMENT), the wages or commissions of the employee giving (SUCH) notice *may be demanded and* shall become due (AT THE USUAL PLACE OF PAYMENT) 24 hours after (HE SO) *the employee* quits or resigns (AND PAYMENT THEREOF MAY BE DEMANDED ACCORDINGLY), and the penalty herein provided shall apply (IN SUCH CASE) from the date of (SUCH) demand (; PROVIDED, THAT). If the employer disputes the amount of wages or commissions claimed by (SUCH) *the employee* under the provisions of this section or section 181.13, and the employer (IN SUCH CASE) makes a legal tender of the amount which (HE) *the employer* in good faith claims to be due, (HE) *the employer* shall not be liable for any sum greater than the amount so tendered and interest thereon at the legal rate, unless, in an action brought in a court having jurisdiction, (SUCH) *the employee* recovers a greater sum than the amount so tendered with (SUCH) interest thereon; and if, in (SUCH) *the suit*, the employee fails to recover a greater sum than that so tendered, with interest (AS AFORESAID), (HE) *the employee* shall pay the cost of (SUCH) *the suit*, otherwise the cost (THEREOF) shall be paid by the employer (; PROVIDED, THAT). In cases where (SUCH) *the discharged or quitting employee* was, during his or her employment, entrusted with the collection, disbursement, or handling of money or property, the employer shall have ten secular days after the termination of the employment to audit and adjust the accounts of (SUCH) *the employee* before (HIS) *the em-*

*ployee's wages or commissions shall become due and payable, and the penalty herein provided shall apply in such case only from the date of demand made after the expiration of (SUCH) the period allowed for (SUCH) audit and adjustment ( ; AND). If, upon such audit and adjustment of the accounts of (SUCH) the employee, it is found that any money or property entrusted to (HIM) the employee by (HIS) the employer has not been properly accounted for or paid over to the employer, as provided by the terms of the contract of employment, (SUCH) the employee shall not be entitled to the benefit of sections 181.13 to 181.17, but the claim for unpaid wages or commissions of such employee, if any, shall be disposed of as provided by existing law. Wages and commissions paid under this section shall be paid at the usual place of payment unless the employee requests that the wages and commissions be sent to him or her through the mails. If, in accordance with a request by the employee, the employee's wages and commissions are sent to the employee through the mail, the wages and commissions shall be deemed to have been paid as of the date of their postmark for the purposes of this section."*

Page 1, line 3 of the Blatz amendment, delete "Section 1" and insert "Sec. 3"

Page 1, line 22 of the Blatz amendment, before the period insert: "*unless the employee requests that the commissions be sent to him or her through the mails. If, in accordance with a request by the employee, the employee's commissions are sent to the employee through the mail, the commissions shall be deemed to have been paid as of the date of their postmark for the purposes of this section"*

Further, amend the title as follows:

Page 3, line 16 of the Blatz amendment, after the semi-colon insert: "providing that wages can be promptly paid through the mail at the request of the employee or salesperson; amending Minnesota Statutes 1982, sections 181.13; and 181.14;"

H. F. No. 1801 which it recommended to pass with the following amendments:

Offered by Jensen:

Page 5, delete lines 29 to 33 and insert:

*"(c) The requirements as to driver qualifications and maximum hours of service for drivers do not apply to private carriers who are (1) public utilities as defined in section 216B.02, subdivision 4; (2) cooperative electric associations organized under chapter 308; (3) telephone companies as defined in section 237.01, subdivision 2; or (4) engaged in transportation of construction materials, tools and equipment from shop to job site or job*



site to job site, for use by the private carrier in the new construction, remodeling or repair of buildings, structures or their appurtenances."

Page 6, delete lines 26 to 30 and insert:

*"The vehicle identification rule of the commissioner may not be more stringent than the marking requirements imposed on private carriers by the United States department of transportation under 49 C.F.R., section 397.21, clauses (b) and (c)."*

Offered by Jensen:

Page 8, line 17, delete "1" and insert "3"

On the motion of Eken the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Marsh moved to amend H. F. No. 1761, the first engrossment, as follows:

Page 2, strike lines 9 to 13

The question was taken on the Marsh amendment and the roll was called. There were 11 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Erickson	Gruenes	Marsh	Staten
Dempsey	Evans	Kalis	Minne	Vanasek
Eken				

Those who voted in the negative were:

Anderson, G.	Cohen	Hoffman	Metzen	Quist
Battaglia	Coleman	Jacobs	Munger	Redalen
Beard	DenOuden	Jensen	Murphy	Riveness
Begich	Dimler	Johnson	Nelson, D.	Rodosovich
Bergstrom	Elioff	Knuth	O'Connor	Rodriguez, C.
Blatz	Ellingson	Kostohryz	Olsen	Rodrigucz, F.
Boo	Findlay	Krueger	Omann	Rose
Brandl	Fjoslien	Kvam	Onnen	St. Onge
Brinkman	Forsythe	Larsen	Otis	Sarna
Burger	Graba	Long	Pauly	Schafer
Carlson, D.	Gustafson	Ludeman	Peterson	Schoenfeld
Carlson, L.	Gutknecht	Mann	Piepho	Seaberg
Clark, K.	Heinitz	McDonald	Piper	Segal

Sherman  
Solberg  
Sparby  
Sviggum

Swanson  
Tomlinson  
Tunheim  
Uphus

Valan  
Waltman  
Welker

Welle  
Wenzel  
Wigley

Wynia  
Zaffke  
Speaker Sieben

The motion did not prevail and the amendment was not adopted.

Onnen moved to amend H. F. No. 1761, the first engrossment, as follows:

Page 1, line 22, after "soil" insert "*from a county which imposes the tax*"

Page 2, strike lines 9 to 13

Page 2, delete lines 14 to 16 and insert:

"Sec. 2. Minnesota Statutes 1983 Supplement, section 298.75, subdivision 2, is amended to read:

Subd. 2. A county (SHALL) *may* impose upon every importer and operator a production tax equal to ten cents per cubic yard or seven cents per ton of aggregate material removed (EXCEPT THAT THE COUNTY BOARD MAY 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). The tax shall be imposed on aggregate material produced in the county 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. The tax shall be imposed on an importer when the aggregate material is imported into the county that imposes the tax.

If 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 *or the county to which the aggregate material is originally transported does not impose a tax under this section*, then the county where the aggregate material was extracted shall receive all of the proceeds of the tax. *If the county where the aggregate material was extracted does not impose a tax under this section, no tax shall be imposed by or apportioned to the county to which the aggregate material is originally transported.*

Sec 3. Minnesota Statutes 1983 Supplement, section 298.75, subdivision 7, is amended to read:

Subd. 7. All moneys collected as taxes under this section *except as provided in subdivision 8* 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, highways and bridges;

(b) Thirty percent to the 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, to be expended for maintenance, construction and reconstruction of roads, highways and bridges; and

(c) Ten percent to a special reserve fund which is hereby established, for expenditure for the restoration of abandoned pits, quarries, or deposits located upon public and tax forfeited lands within the county.

If 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. 4. Minnesota Statutes 1983 Supplement, section 298.75, is amended by adding a subdivision to read:

*Subd. 8. If the county board does not impose the aggregate removal tax pursuant to subdivision 2, a city or town may impose upon every operator, engaged in the business of removing aggregate material for sale, from an extraction site within the city or town, a production tax equal to three cents per cubic yard or two cents per ton of aggregate material removed from that city or town. All moneys collected as taxes under this subdivision shall be deposited in the city or town's road and bridge fund or other similar designated fund to be expended for maintenance, construction and reconstruction of roads, highways and bridges within the city or town. The reporting procedures, payment dates, and penalties as provided in subdivisions 3 to 6 shall also be applicable to the taxes imposed under this subdivision except that the operator shall file his report and pay the taxes to the city or town where the aggregate material is removed. For purposes of this subdivision, city means a statutory or home rule charter city."*

Amend the title as follows:

Page 1, line 5, after "subdivision 1" insert ", 2 and 7, and by adding a subdivision"

The question was taken on the Onnen amendment and the roll was called. There were 15 yeas and 89 nays as follows:

Those who voted in the affirmative were:

Bergstrom	Findlay	Marsh	McKasy	St. Onge
DenOuden	Gruenes	McDonald	Onnen	Valento
Dimler	Cutknecht	McEachern	Osthoff	Welker

Those who voted in the negative were:

Anderson, G.	Eken	Kostohryz	Otis	Sparby
Anderson, R.	Elioff	Krueger	Pauly	Staten
Battaglia	Ellingson	Kvam	Peterson	Sviggum
Beard	Erickson	Larsen	Piepho	Swanson
Begich	Fjoslien	Long	Piper	Tomlinson
Bennett	Forsythe	Ludeman	Quist	Tunheim
Bishop	Graba	Mann	Redalen	Uphus
Blatz	Greenfield	Metzen	Rice	Valan
Boo	Halberg	Minne	Rodosovich	Vanasek
Brandl	Heinitz	Munger	Rodriguez, C.	Vellenga
Brinkman	Hoffman	Murphy	Rodriguez, F.	Waltman
Burger	Jacobs	Nelson, D.	Rose	Welle
Carlson, D.	Jensen	Neuenschwander	Sarna	Wenzel
Carlson, L.	Johnson	Norton	Scheid	Wigley
Clark, K.	Kahn	O'Connor	Schoenfeld	Wynia
Clawson	Kalis	Ogren	Seaberg	Zaffke
Cohen	Kelly	Olsen	Segal	Speaker Sieben
Dempsey	Knuth	Omann	Solberg	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of H. F. No. 1345 and the roll was called. There were 36 yeas and 79 nays as follows:

Those who voted in the affirmative were:

Battaglia	Forsythe	Mann	Osthoff	St. Onge
Beard	Gustafson	McEachern	Peterson	Sarna
Begich	Hoffman	Metzen	Piepho	Solberg
Bergstrom	Jacobs	Minne	Piper	Speaker Sieben
Coleman	Jensen	Murphy	Price	
Dempsey	Kelly	Norton	Quinn	
Eken	Kostohryz	O'Connor	Redalen	
Elioff	Larsen	Ogren	Rodriguez, F.	

Those who voted in the negative were:

Anderson, B.	Bishop	Brinkman	Clark, J.	Dimler
Anderson, G.	Blatz	Burger	Clark, K.	Erickson
Anderson, R.	Boo	Carlson, D.	Clawson	Evans
Bennett	Brandl	Carlson, L.	DenOuden	Findlay

Fjoslien	Johnson	Nelson, K.	Scheid	Uphus
Frerichs	Kalis	Olsen	Seaberg	Valan
Graba	Knickerbocker	Omann	Shaver	Valento
Greenfield	Krueger	Onnen	Sherman	Vellenga
Gruenes	Kvam	Otis	Simoneau	Waltman
Gutknecht	Levi	Pauly	Skoglund	Welch
Halberg	Long	Quist	Sparby	Welker
Haukoos	Ludeman	Reif	Staten	Wenzel
Heap	Marsh	Rodosovich	Sviggum	Wigley
Heinitz	McDonald	Rodriguez, C.	Swanson	Wynia
Hokr	McKasy	Rose	Tomlinson	Zaffke
Jennings	Nelson, D.	Schafer	Tunheim	

The motion did not prevail.

### MOTIONS AND RESOLUTIONS

Eken offered the following resolution and moved its adoption:

*Resolved*, that an invitation be extended to The Honorable Douglas K. Amdahl, Chief Justice of the Supreme Court of the State of Minnesota, to address a Joint Convention of the Legislature on the "State of the Judiciary" at 1:00 p.m., Thursday, April 5, 1984, and

*Be It Further Resolved*, that the Chief Clerk be instructed to invite the Senate to meet with the House in Joint Convention at 12:50 p.m., Thursday, April 5, 1984, to receive an address on the "State of the Judiciary" by the Honorable Douglas K. Amdahl, Chief Justice of the Supreme Court of the State of Minnesota.

The motion prevailed and the resolution was adopted.

Waltman moved that H. F. No. 1603 be recalled from the Committee on Taxes and be re-referred to the Committee on Appropriations. **The motion prevailed.**

Vellenga moved that H. F. No. 2041 be recalled from the Committee on Transportation and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Brandl moved that the names of Blatz and Rodosovich be added as authors on H. F. No. 1554. The motion prevailed.

Blatz moved that the names of Begich, Battaglia and Gutknecht be added as authors on H. F. No. 1562. The motion prevailed.

Vanasek moved that the name of Kelly be stricken and the name of Schoenfeld be added as an author on H. F. No. 1665. The motion prevailed.

Segal moved that the name of McKasy be added as an author on H. F. No. 1919. The motion prevailed.

Greenfield moved that the name of Swanson be added as an author on H. F. No. 1947. The motion prevailed.

Greenfield moved that the name of Swanson be added as an author on H. F. No. 1966. The motion prevailed.

Schreiber moved that the name of Redalen be shown as chief author and the name of Schreiber be shown as second author and the names of Wenzel, Sparby and Graba be added as authors on H. F. No. 1976. The motion prevailed.

Greenfield moved that the name of Swanson be added as an author on H. F. No. 2050. The motion prevailed.

Greenfield moved that the names of Swanson, Brandl and Sviggum be added as authors on H. F. No. 2128. The motion prevailed.

McEachern moved that the names of Sparby and Schoenfeld be added as authors on H. F. No. 2173. The motion prevailed.

Tunheim moved that the names of Battaglia and Neuenchwander be added as authors on H. F. No. 2189. The motion prevailed.

Vanasek moved that the name of Halberg be added as an author on H. F. No. 2249. The motion prevailed.

Norton moved that the name of Krueger be added as chief author and the name of Norton be shown as second author on H. F. No. 2264. The motion prevailed.

Graba moved that the name of Olsen be added as an author on H. F. No. 2289. The motion prevailed.

Nelson, K., moved that the name of Segal be added as an author on H. F. No. 2295. The motion prevailed.

Wenzel moved that the name of Neuenchwander be added as an author on H. F. No. 2304. The motion prevailed.

Anderson, B., moved that H. F. No. 44 be returned to its author. The motion prevailed.

Osthoff moved that H. F. No. 1434 be returned to its author. The motion prevailed.

Findlay moved that H. F. No. 1442 be returned to its author. The motion prevailed.

Anderson, B., moved that H. F. No. 1637 be returned to its author. The motion prevailed.

Otis moved that H. F. No. 1811 be returned to its author. The motion prevailed.

Gustafson moved that H. F. No. 2297 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. 1516:

Otis, Scheid and Evans.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 12:45 p.m., Thursday, April 5, 1984. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:45 p.m., Thursday, April 5, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SEVENTY-SECOND DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 5, 1984

The House of Representatives convened at 12:45 p.m. and was called to order by Harry A. Sieben, Jr., Speaker of the House.

Prayer was offered by Pastor Tomas E. Meeks, House Chaplain, Ramsey, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Erickson	Knuth	Pauly	Skoglund
Anderson, G.	Evans	Kostohryz	Peterson	Solberg
Anderson, R.	Findlay	Krueger	Piepho	Sparby
Battaglia	Fjoslien	Kvam	Piper	Stadum
Beard	Forsythe	Larsen	Price	Staten
Begich	Frerichs	Levi	Quinn	Sviggum
Bennett	Graba	Long	Quist	Swanson
Bergstrom	Greenfield	Ludeman	Redalen	Thiede
Bishop	Gruenes	Mann	Reif	Tomlinson
Blatz	Gustafson	Marsh	Rice	Tunheim
Boo	Gutknecht	McDonald	Riveness	Uphus
Brandl	Halberg	McEachern	Rodosovich	Valan
Brinkman	Haukoos	McKasy	Rodriguez, C.	Valento
Burger	Heap	Metzen	Rodriguez, F.	Vanasek
Carlson, D.	Heinitz	Munger	Rose	Vellenga
Carlson, L.	Himle	Murphy	St. Onge	Voss
Clark, J.	Hoffman	Nelson, D.	Sarna	Waltman
Clark, K.	Hokr	Nelson, K.	Schafer	Welch
Clawson	Jacobs	Neuenschwander	Scheid	Welker
Cohen	Jennings	Norton	Schoenfeld	Welle
Coleman	Jensen	Ogren	Schreiber	Wenzel
Dempsey	Johnson	Olsen	Seaberg	Wigley
DenOuden	Kahn	Omann	Segal	Wynia
Dimler	Kalis	Onnen	Shea	Zaifke
Eken	Kelly	Osthoff	Sherman	Speaker Sieben
Ellingson	Knickerbocker	Otis	Simoneau	

A quorum was present.

Elioff, Hoberg, Minne and O'Connor were excused.

Shaver was excused until 3:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Vanasek 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. 2161, 2207, 1735, 1800, 1850, 2131, 2238, 2255, 2276, 1556, 1602, 1630, 1695, 1828, 1910, 2154, 2192, 29, 229, 756, 994, 1203, 1206, 1292, 1330, 1386, 1452, 1568, 1618, 1686, 1755, 1791, 1871, 1896, 1977, 1994, 2017, 2067, 2097, 2099, 2162, 899, 1562 and 1801 and S. F. No. 1563 have been placed in the members' files.

#### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House to meet in Joint Session in the House Chamber at 1 P.M., Thursday, April 5, 1984, to receive the address on the State of the Judiciary by the Honorable Douglas K. Amdahl, Chief Justice of the Supreme Court of the State of Minnesota.

PATRICK E. FLAHAVER, Secretary of the Senate

Eken moved that the House recess subject to the call of the Chair for the purpose of meeting with the Senate in Joint Convention. The motion prevailed, and the Speaker declared the House recessed.

#### RECESS

#### RECONVENED

The Speaker called the House to order at 1:00 p.m.

The Sergeant at Arms announced the arrival of the members of the Senate, and they were escorted to the seats reserved for them at the front of the Chamber.

#### JOINT CONVENTION

The Speaker of the House as President of the Joint Convention called the Joint Convention to order.

Prayer was offered by Pastor Tomas E. Meeks, Lord of Life Lutheran Church, Ramsey, Minnesota.

The roll being called, the following Senators answered to their names: Adkins, Anderson and Belanger.

Senator Moe, R. D., moved that further proceedings of the roll call be dispensed with. The motion prevailed and a quorum was declared present.

The Sergeant at Arms announced the arrival of the Honorable Joan Anderson Growe, Secretary of State. The Secretary of State was escorted to the seat reserved for her at the rostrum.

The Sergeant at Arms announced the arrival of the Honorable Hubert H. Humphrey III, Attorney General. The Attorney General was escorted to the seat reserved for him at the rostrum.

The Sergeant at Arms announced the arrival of the Honorable Peter S. Popovich, Chief Judge of the Court of Appeals and the Associate Judges of the Court of Appeals. They were escorted to the seats reserved for them near the rostrum.

The Sergeant at Arms announced the arrival of the Honorable Associate Justices of the Supreme Court. They were escorted to the seats reserved for them near the rostrum.

The Sergeant at Arms announced the arrival of the Honorable Douglas K. Amdahl, Chief Justice of the Supreme Court of the State of Minnesota. The Chief Justice was escorted to the rostrum by the Sergeant at Arms.

#### ADDRESS BY THE CHIEF JUSTICE

Chief Justice Douglas K. Amdahl was presented by the President of the Joint Convention, the Honorable Harry A. Sieben, Jr., and the Chief Justice delivered his "State of the Judiciary Speech" to the members of the Joint Convention and their guests.

Following the address, Senator Moe, R. D., moved that the Joint Convention arise. The motion prevailed and the President declared the Joint Convention adjourned.

#### RECONVENED

The House reconvened and was called to order by the Speaker.

#### REPORTS OF STANDING COMMITTEES

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 471, A bill for an act relating to public welfare; providing for the establishment of a state foster care advisory

board and local review boards under the jurisdiction of juvenile judges; prescribing conditions of membership and duties of board members; requiring agency cooperation; providing for the adoption of supreme court rules; setting limitations; appropriating money; amending Minnesota Statutes 1983 Supplement, section 257.071, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 260.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 257.071, subdivision 2, is amended to read:

Subd. 2. [SIX MONTH REVIEW OF PLACEMENTS.] There shall be an administrative review of the case plan of each child placed in a residential facility no later than 180 days after the initial placement of the child in a residential facility and at least every six months thereafter if the child is not returned to the home of his parent or parents within that time. *The term "administrative review" means a review open to the participation of the parents of the child and the foster parents of the child, conducted by a panel of appropriate persons at least two of whom are citizens of the county, not employed by the local social services agency, and are not responsible for the case management of, or the delivery of services to, either the child or his parents who are the subject of the review. The administrative review panel shall determine (1) the continuing necessity for and appropriateness of the placement, (2) the extent of compliance with the case plan, (3) the extent of progress which has been made toward alleviating or mitigating the causes necessitating placement in foster care, and (4) to project a likely date by which the child may be returned to the home or placed for adoption or legal guardianship. As an alternative to the administrative review, the social service agency responsible for the placement may bring a petition as provided in section 260.131, subdivision 1a, to the court for review of the foster care to determine if placement is in the best interests of the child. This petition must be brought to the court within the applicable six months and is not in lieu of the requirements contained in subdivision 3 or 4."*

Delete the title and insert:

"A bill for an act relating to public welfare; establishing an administrative review panel; defining its duties; amending Minnesota Statutes 1983 Supplement, section 257.071, subdivision 2."

With the recommendation that when so amended the bill be re-referred to the Committee on Appropriations without further recommendation.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 499, A bill for an act relating to public utilities; providing residential telephone subscribers protection from unwanted commercial solicitation; proposing new law coded in Minnesota Statutes, chapter 237.

Reported the same back with the following amendments:

Page 2, delete lines 3 to 7

Page 2, line 8, delete "*identifying mark in the directory.*"

Page 2, line 11, delete "*certify that they*"

Page 2, line 12, after "*cost*" insert "*upon the furnishing of a birth certificate, driver's license, or equivalent legal documentation of the subscriber's age*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1010, A bill for an act relating to local government; changing restrictions on filing and recording certain conveyances; amending Minnesota Statutes 1982, section 462.358, subdivision 4b.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [CITY OF THIEF RIVER FALLS; FILING AND RECORDING CONVEYANCES.]

*In the city of Thief River Falls the restrictions on the filing and recording of conveyances provided by Minnesota Statutes, section 462.358, subdivision 4b, do not apply to a conveyance if the land described is a single parcel of residential or agricultural land of not less than five acres and its conveyance does not result in the division of the parcel into two or more parcels, any one of which is less than five acres in area or 250 feet in width.*

Sec. 2. [LOCAL APPROVAL.]

*This act is effective the day after the governing body of the city of Thief River Falls complies with Minnesota Statutes, section 645.021, subdivision 3."*

Delete the title and insert:

"A bill for an act relating to the city of Thief River Falls; changing restrictions on filing and recording certain conveyances."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1302, A bill for an act relating to local government; providing procedures for the publication of legal notices; removing various requirements for publication of notices; amending Minnesota Statutes 1982, sections 3.21; 48.48, subdivision 1; 88.48, subdivision 2; 94.10, subdivision 1; 94.344, subdivision 7; 123.33, subdivision 11; 123.71, subdivision 1; 160.17, subdivision 2; 205.20, subdivision 5; 206.17, subdivision 2; 279.07; 279.08; 279.09; 300.13, subdivision 4; 302A.727, subdivision 1; 306.023, subdivision 2; 306.111, subdivision 2; 306.16, subdivision 2; 306.21, subdivision 1; 307.06; 315.25; 326.18; 346.02; 365.37; 368.01, subdivision 21; 370.04; 370.07; 371.04; 372.02; 372.08; 374.13; 374.34; 375.025, subdivision 4; 375.12; 375.17; 375.21, subdivision 1; 375.51, subdivision 3; 375.52; 383A.27, subdivision 2; 412.191, subdivisions 3 and 4; 412.311; 414.09, subdivision 3; 415.021; 429.061, subdivision 2; 430.02, subdivisions 3, 7, 11, and 12; 430.04; 430.07, subdivision 5; 430.102, subdivision 3; 435.202, subdivision 2; 441.04; 462.427, subdivision 3; 465.32; 465.38; 471.697, subdivision 1; 471.698, subdivision 1; 471.6985; 472.04, subdivision 2; 484.30; and 492.02, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 375 and 471; proposing new law coded as Minnesota Statutes, chapter 331A; repealing Minnesota Statutes 1982, sections 55.09; 306.16, subdivision 1; 331.01; 331.02; 331.03; 331.04; 331.05; 331.06; 331.07; 331.08; 331.10; 331.11; and 441.51.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 3.21, is amended to read:

3.21 [NOTICE.]

At least four months preceding the election, the attorney general shall furnish to the secretary of state a statement of the purpose and effect of all amendments proposed showing clearly the form of the existing sections, and of the same as they will read if amended, except that when any section to which an amendment is proposed exceeds 150 words in length, the statement shall show that part of the section in which a change is proposed, both in its existing form and as it will read when amended, together with portions of the context as the attorney general deems necessary to an understanding of the proposed amendment. In the month of October prior to the election, the secretary of state shall give two weeks published notice of the statement in all (LEGAL) *qualified* newspapers of the state. The secretary of state shall furnish the statement to the newspapers in reproducible form approved by the secretary of state, set in 7-1/2 point type on an eight point body. The maximum rate for publication shall be (17 CENTS PER STANDARD LINE IN 1979 AND 18 CENTS PER STANDARD LINE THEREAFTER) *as provided in section 25* for the two publications. If any newspaper shall refuse the publication of the amendments, this refusal and failure of the publication shall have no effect on the validity of the amendments. The secretary of state shall also forward to each county auditor copies of the statement, in poster form, in quantities sufficient to supply each election district of his county with two copies thereof. The auditor shall cause two copies to be conspicuously posted at or near each polling place on election day. Wilful or negligent failure by any official named to perform any duty imposed upon him by this section shall be deemed a misdemeanor.

Sec. 2. Minnesota Statutes 1982, section 48.48, subdivision 1, is amended to read:

Subdivision 1. [SUBMISSION AND PUBLICATION.] At least four times in each year, and at any other time when so requested by the commissioner, every bank or trust company shall, within 30 days of the date of notice, make and transmit to the commissioner, in a form he prescribes, a report, verified by its president or vice-president and by its cashier or treasurer, and attested by at least two of its directors, stating in detail, under appropriate heads, as required by the commissioner, its assets and liabilities at the close of business on the day specified in the request. The commissioner may accept a report made to a federal authority having supervision of banks or trust companies in fulfilling this requirement. This statement shall be published once at the expense of the bank or trust company in a newspaper serving the municipality or town in which the bank or trust company is located. The newspaper shall be published in the county in which the bank or trust company is located or in an adjoining county. Proof of publication shall be filed with the commissioner immediately after publication of the report. (FOR THE PURPOSES OF THIS SUBDIVISION A NEWSPAPER SERVES A MUNICIPALITY OR TOWN IF IT

MEETS THE QUALIFICATIONS OF SECTION 331.02, SUB-DIVISION 1, CLAUSE (4).)

Sec. 3. Minnesota Statutes 1982, section 88.48, subdivision 2, is amended to read:

Subd. 2. [NOTICE.] The county auditor shall, upon receipt of the application and prior to the meeting of the county board at which it is presented, (PUBLISHED ONCE IN THE OFFICIAL NEWSPAPER OF THE COUNTY NOTICE OF THE PRESENTATION AT THE EXPENSE OF THE APPLICANT AND) mail (A COPY OF THE) notice to the clerk of the town in which lies the land therein described.

Sec. 4. Minnesota Statutes 1982, section 94.10, subdivision 1, is amended to read:

Subdivision 1. Before offering any surplus state owned lands for sale, the commissioner of administration may survey such lands, and if the value thereof is estimated to be \$20,000 or less, may have such lands appraised. He shall have the lands appraised if the estimated value is in excess of \$20,000. The appraisal shall be made by not less than three appraisers, at least two of whom shall be residents of the county in which the lands are situated. Each appraiser shall before entering upon the duties of his office take and subscribe an oath that he will faithfully and impartially discharge his duties as appraiser according to the best of his ability and that he is not interested directly or indirectly in any of the lands to be appraised or the timber or improvements thereon or in the purchase thereof and has entered into no agreement or combination to purchase the same or any part thereof, which oath shall be attached to the report of such appraisal. Before offering such surplus state owned lands for public sale, such lands shall first be offered to the city, county, town, school district, or other public body corporate or politic in which the lands are situated for public purposes and they may be sold for such public purposes for not less than the appraised value thereof. To determine whether a public body desires to purchase the surplus land, the commissioner of administration (SHALL PUBLISH NOTICE DESCRIBING THE LAND ON THE SAME DAY OF AT LEAST TWO SUCCESSIVE WEEKS IN A NEWSPAPER OF GENERAL CIRCULATION IN THE COUNTY IN WHICH THE LAND IS LOCATED; HOWEVER, THE COMMISSIONER) shall give a written notice to the governing body of each political subdivision whose jurisdictional boundaries include or are adjacent to the surplus land. If a public body desires to purchase the surplus land it shall submit a written offer to the commissioner not later than two weeks after (THE LAST PUBLISHED) receipt of notice setting forth in detail its reasons for desiring to acquire and its intended use of the land. In the event that more than one public body tenders an offer, the commissioner shall determine which party shall receive the property, and he shall submit written

findings regarding his decision. If lands are offered for sale for such public purposes, and if a public body notifies the commissioner of administration of its desire to acquire such lands, the public body may have not to exceed two years from the date of the accepted offer to commence payment for the lands in the manner provided by law.

**Sec. 5.** Minnesota Statutes 1982, section 94.344, subdivision 7, is amended to read:

Subd. 7. Before giving final approval to any exchange of Class B land, the county board shall hold a public hearing thereon. At least two weeks before the hearing the county auditor shall post in his office a notice thereof, containing a description of the lands affected (**AND SHALL CAUSE A COPY OF THE NOTICE TO BE PUBLISHED IN THE NEWSPAPER DESIGNATED FOR PUBLICATION OF THE OFFICIAL PROCEEDINGS OF THE COUNTY BOARD**).

**Sec. 6.** Minnesota Statutes 1982, section 123.33, subdivision 11, is amended to read:

Subd. 11. The board shall cause its official proceedings to be published once in the official newspaper of the district. Such publication shall be made within 30 days of the meeting at which such proceedings occurred. *If the board determines that publication of a summary of the proceedings would adequately inform the public of the substance of the proceedings, the board may direct that only a summary be published, conforming to the requirements of section 20, subdivision 10.*

**Sec. 7.** Minnesota Statutes 1982, section 123.71, subdivision 1, is amended to read:

Subdivision 1. Every school board shall, no later than September 1 publish the revenue and expenditure budgets submitted to the commissioner of education in accordance with section 121.908, subdivision 4, for the current year and the actual revenues, expenditures, fund balances for the prior year and projected fund balances for the current year in a form prescribed by the state board of education after consultation with the advisory council on uniform financial accounting and reporting standards. The forms prescribed shall be designed so that year to year comparisons of revenue, expenditures and fund balances can be made. These budgets, reports of revenue, expenditures and fund balances shall be published in a (NEWSPAPER OF GENERAL CIRCULATION AND HOLDING A U. S. POST OFFICE DEPARTMENT SECOND CLASS MAILING PERMIT OR A LEGAL NEWSPAPER LOCATED IN THE DISTRICT, OR IF THERE BE NO SUCH NEWSPAPER WITHIN THE DISTRICT THEN IN THE LEGAL NEWS-



PAPER OUTSIDE THE DISTRICT WHICH HAS A GENERAL CIRCULATION IN THE DISTRICT) *qualified newspaper of general circulation in the district.*

Sec. 8. Minnesota Statutes 1982, section 206.17, subdivision 2, is amended to read:

Subd. 2. Where electronic voting systems are used, within five days prior to the election day, the election officer in charge shall have the automatic tabulating equipment tested to ascertain that the equipment will correctly count the votes cast for all offices and on all measures. Public notice of the time and place of the test shall be given at least two days prior thereto (BY PUBLICATION ONCE IN OFFICIAL NEWSPAPERS). The test shall be observed by at least two election judges, who shall not be of the same major political party, and shall be open to representatives of the major political parties, candidates, the press and the public. The test shall be conducted by processing a preaudited group of ballots so punched or marked as to record a predetermined number of valid votes for each candidate and on each measure, and shall include for each office one or more ballots which have votes in excess of the number allowed by law in order to test the ability of the automatic tabulating equipment to reject such votes. If any error is detected, the cause therefor shall be ascertained and corrected and an errorless count shall be made before the automatic tabulating equipment is approved. The test shall be repeated immediately before the start of the official count of the ballots, in the same manner as set forth above. After the completion of the count, the programs used and ballots shall be sealed, retained, and disposed of as provided for paper ballots.

Sec. 9. Minnesota Statutes 1982, section 279.07, is amended to read:

**279.07 [PUBLICATION, BIDS.]**

Prior to the day on which the county board designates a newspaper for the publication of the notice and list, any publisher or proprietor of a legal newspaper, as defined by law, may file with the county auditor an offer to publish such notice and list in such paper, stating the rate at which he will make such publication (, WHICH SHALL NOT EXCEED THE AMOUNTS PROVIDED FOR IN SECTION 331.08). The board may in its discretion receive offers presented to it at any time prior to the time when designation is made.

Sec. 10. Minnesota Statutes 1982, section 279.08, is amended to read:

**279.08 [NEWSPAPER, DESIGNATION.]**

At their annual meeting in January, and prior to the designation, the county board shall open, examine, and consider all

offers for publication filed or presented as provided in section 279.07, and shall thereupon award the publication of the notice and list to the publisher or proprietor of the newspaper whose offer is found to be the lowest (, AND DOES NOT EXCEED THE AMOUNTS PROVIDED FOR IN SECTION 331.08). The board may reject any offer, if in its judgment the public interest so requires, and thereupon designate a newspaper without regard to any rejected offer. In counties now or hereafter having a population of 450,000 or more, the board shall designate a daily newspaper of general circulation throughout such county. If no such daily newspaper submits a bid at the rate herein provided, the board may designate a weekly newspaper of general circulation throughout the county. In any county in which there is no legal newspaper, the board shall designate any such newspaper printed in the judicial district in which the county is situated, and circulating in the county. Every such designation shall be by resolution, which shall be substantially in the following form:

“Resolved, that ..... (here state the name of the newspaper) is hereby designated by the county board of the county of ..... as the newspaper in which the notice and list of the real estate remaining delinquent on the first Monday of January, 19....., shall be published.”

A copy of the resolution certified by the auditor shall be filed with the clerk of the district court. If, for any reason, the board fails to designate a newspaper, or the proprietor of the newspaper fails to give the required bond, the auditor shall thereupon designate the same in writing and immediately file such writing in his office and a certified copy thereof with such clerk.

Sec. 11. Minnesota Statutes 1982, section 300.13, subdivision 4, is amended to read:

Subd. 4. [RESOLUTION TO ENLARGE, EFFECT.] Except in the case of a nonprofit cooperative association, or a religious corporation formed under Minnesota Statutes 1949, Chapter 315, the resolution to enlarge the period of corporate existence does not become effective until a duly certified copy of the resolution has been filed (,) and recorded (, AND PUBLISHED) in the same manner as its original articles or certificate of incorporation. (A NONPROFIT COOPERATIVE ASSOCIATION AND A RELIGIOUS CORPORATION FORMED UNDER MINNESOTA STATUTES 1949, CHAPTER 315, NEED NOT PUBLISH THE RESOLUTION.)

Sec. 12. Minnesota Statutes 1982, section 302A.727, subdivision 1, is amended to read:

Subdivision 1. [WHEN PERMITTED; HOW GIVEN.] When a notice of intent to dissolve has been filed with the secre-

tary of state, the corporation may give notice of the filing to each known creditor of and claimant against the corporation at the last known address of each known present, future, or contingent creditor and claimant. The corporation may give published notice to known creditors or claimants whose address is unknown and to unknown present, future, or contingent creditors and claimants, by publishing the notice once each week for four successive weeks in a legal newspaper (AS DEFINED IN SECTION 331.02) in the county or counties where the registered office and the principal executive office of the corporation are located.

Sec. 13. Minnesota Statutes 1982, section 306.023, subdivision 2, is amended to read:

Subd. 2. To accomplish such transfer, the board of trustees of such cemetery association shall adopt a resolution to that effect by an unanimous vote of the board of trustees, and thereupon the chairman or president of the board of trustees and the secretary shall be authorized to execute the proper instruments and a deed in the name of the association to evidence the transfer; provided, however, that such transfer must first have been authorized by a majority vote of all members of the association, present and voting, at any regular meeting or at any special meeting called for that purpose, *written* notice of which meeting shall have been given (BY PUBLICATION, FOR THREE SUCCESSIVE WEEKS, ONCE EACH WEEK, IN A DAILY OR WEEKLY NEWSPAPER PUBLISHED IN THE COUNTY WHERE SUCH CEMETERY IS SITUATED, SUBSCRIBED BY THE CHAIRMAN, PRESIDENT, OR SECRETARY OF THE BOARD OF TRUSTEES, AND) *to the members* specifying the time, place and purpose of such meeting.

In the event said association shall be an unincorporated association, a deed executed in the name of such association by the chairman or president and the secretary or treasurer of the board of trustees shall be deemed a valid conveyance of the lands of the association.

Sec. 14. Minnesota Statutes 1982, section 306.111, subdivision 2, is amended to read:

Subd. 2. Any three or more lot owners in such cemetery may (ISSUE A) *mail* notice (SIGNED BY THEM) *to all the lot owners known to them or whose addresses appear in the cemetery records* that a meeting of the lot owners will be held *not less than 14 days after the mailing* at a time and place to be fixed by them and designated in the notice, in the county wherein the cemetery is situated, for the purpose of filling the vacancies among the associates. (SUCH NOTICE SHALL BE PUBLISHED AT LEAST TWICE IN A LEGAL NEWSPAPER PUBLISHED IN THE COUNTY WHERE THE MEETING IS TO BE HELD, AND THE TIME OF THE MEETING SHALL

BE NOT LESS THAN TEN DAYS AFTER THE SECOND PUBLICATION THEREOF.)

Sec. 15. Minnesota Statutes 1982, section 306.16, subdivision 2, is amended to read:

Subd. 2. (IF THE OWNER OF SUCH CEMETERY LOT BE A RESIDENT OF THE COUNTY WHEREIN SUCH CEMETERY IS LOCATED, THEN SUCH) *The* association or any municipally-owned cemetery may cause to be served upon (SUCH OWNER) *the owner of the lot*, in the manner prescribed by law for the service of a summons in a civil action, a notice specifying the amount unpaid for lot care upon such lot, and specifying a time within which the same must be paid to the secretary of such association or the proper officer of the municipally-owned cemetery, which time shall not be less than 30 days from the date of the service of the notice, and further specifying that, upon the failure of the owner of the lot to pay the amount specified in the notice within the time of aforesaid, the association or municipally-owned cemetery will take the necessary steps to reinvest itself with the title to the portion of such cemetery lot not actually used for burial purposes. Upon the failure of the owner of the lot to pay the amount within the time specified in the notice, the board of trustees of any such cemetery may, by resolution duly adopted at any regular meeting of the board of trustees, set forth the failure to pay the charges for lot care, the service of the notice prescribed herein, and declare such portion of the lot unused for burial purposes, describing the same by metes and bounds in such resolution, to be the property of the association or such municipally-owned cemetery.

Sec. 16. Minnesota Statutes 1982, section 306.21, subdivision 1, is amended to read:

Subdivision 1. [LOTS CONVEYED AND ABANDONED.] In all cases where a duly incorporated association has owned a site for a cemetery for more than 40 years and has during that period sold lots and parcels for burial purposes, and has, conveyed cemetery lots or parcels by deed of conveyance with or without restrictions contained therein and the grantee therein, or parties claiming through such grantee, (a) for more than 75 years in counties having a population over 50,000 according to the 1960 federal decennial census, and 50 years in all other counties, have not used portions of such lots or parcels for the purposes of burial and during said time have not made provision for care of said lots beyond that provided uniformly to all lots within the cemetery, and during said time have not given to said corporation a written notice of claim or interest in such lots or parcels, or (b) have not used portions of such lots or parcels for the purposes of burial and have not kept such lots or plots free of weeds or brush but have allowed the same to remain entirely unimproved for more than 20 years, and such lots or parcels are situate in such portion of the cemetery that they adjoin or are

adjacent to improved parts of such cemetery and by reason of their unimproved condition detract from the appearance of such cemetery and interfere with its harmonious improvement and furnish a place for the propagation of growth of weeds and brush, such corporation may, by resolution of its governing board, demand of such owners or holders (a) that they file with the corporation a written notice of claim or interest in and to said lots or parcels supported by satisfactory evidence thereof within 60 days after the service of a copy of such resolution of demand, or (b) that they keep the premises clear of weeds and in a condition in harmony with other plots adjoining, and serve a copy of such resolution upon such party or parties (, IF THEY CAN BE FOUND IN SUCH COUNTY, AND IF THE SHERIFF OF THE COUNTY MAKE RETURN UPON SUCH RESOLUTION THAT SUCH PARTIES, OR ANY OF THEM, CANNOT BE FOUND IN THIS COUNTY, THEN THE RESOLUTION MAY BE SERVED UPON THE PARTIES SO ABSENT FROM THE COUNTY BY PUBLICATION THEREOF FOR THREE SUCCESSIVE WEEKS IN A LEGAL NEWSPAPER PUBLISHED IN THE COUNTY AND MAILING A COPY THEREOF WITHIN 14 DAYS AFTER THE THIRD PUBLICATION TO THE LAST KNOWN ADDRESS OF EACH SUCH PARTY AS THE SAME APPEARS ON THE RECORDS OF THE CORPORATION) *in the same manner as a complaint in a civil action.*

Sec. 17. Minnesota Statutes 1982, section 307.06, is amended to read:

**307.06 [TRANSFER TO ASSOCIATION; HOW EFFECTED.]**

Any private cemetery established, platted, and recorded under the laws of this state may consolidate with and transfer its property, for cemetery purposes only, to any cemetery association or corporation organized under the laws of this state which is contiguous to, or adjacent to, such cemetery corporation.

To so consolidate and transfer its property it shall be necessary:

(1) that a resolution be passed by a two-thirds vote of the lot owners and members of such private cemetery, represented, present, and voting at a special meeting called for that purpose, which resolution shall recite with what cemetery corporation or association it is proposed to consolidate with and transfer its property to, and the terms and conditions thereof; and 30 days' notice of such meeting shall be previously given *by mail* to each lot owner of such private cemetery *whose address can be determined using reasonable diligence* of the time and place when such meeting is to be held, reciting the purpose thereof, which notice shall be signed by at least five lot owners (, AND SHALL BE SERVED BY PUBLICATION, BY PUBLISHING FOR

THREE SUCCESSIVE WEEKS, ONCE IN EACH WEEK, IN SOME DAILY OR WEEKLY NEWSPAPER PUBLISHED IN THE COUNTY WHERE SUCH PRIVATE CEMETERY IS SITUATED); and

(2) that the resolution shall be signed and acknowledged by the presiding officer and secretary of such meeting and shall be filed with the county recorder of the county in which the private cemetery is situated.

Sec. 18. Minnesota Statutes 1982, section 315.25, is amended to read:

315.25 [ANNUAL MEETING, NOTICE OF, PLACE.]

Any such corporation, the membership of which in part resides in other states, may hold its annual meetings at such points outside the state as it may, from time to time, designate at a previous annual meeting, or it may authorize its president to designate such place. At least three months before the time of such annual meeting notice of such time and place shall be given by publication in the recognized organ of such corporation, if it has one; otherwise, by (PUBLICATION IN AT LEAST TWO PAPERS OF GENERAL CIRCULATION PUBLISHED AT THE CAPITAL OF THE STATE) *other notice appropriate to inform the membership.*

Sec. 19. Minnesota Statutes 1982, section 326.18, is amended to read:

326.18 [BOARD, DUTIES, OFFICERS, EXAMINATIONS.]

A majority of the board constitutes a quorum. The board shall elect one of its number as chairman, another as vice-chairman, and another as secretary and treasurer, who shall hold their respective offices for a term of one year and until their successors are elected. The affirmative vote of a majority of members of the board is considered the action of the board. The board shall enforce the standard of general education; the standard of special education in the science and art of accounting; the standard of good character and general public experience, as prescribed in sections 326.165 to 326.23, in all examinations conducted thereunder. The board shall make rules for the conduct of applicants' examinations and the character and scope of the examinations, the method and time of filing applications for examinations and their form and contents, and all other rules and regulations proper to carry into effect the purposes of sections 326.165 to 326.23. The board may make use of all or any part of the uniform certified public accountant examination and advisory grading service provided by the American Institute of Certified Public Accountants if it deems it appropriate to assist it in performing its duties. These examinations shall be conducted by the board of accountancy. (THE TIME AND

PLACE OF HOLDING EXAMINATIONS SHALL BE ADVERTISED FOR NOT LESS THAN THREE CONSECUTIVE DAYS IN ONE DAILY NEWSPAPER PUBLISHED IN EACH OF THE COUNTIES WHERE THE EXAMINATIONS ARE TO BE HELD, AND NOT LESS THAN 60 DAYS PRIOR TO THE DATE OF EACH EXAMINATION.) The examinations shall take place as often as may be convenient in the opinion of the board. The board may make rules necessary to implement and enforce sections 326.165 to 326.23, and 214.12, including but not limited to rules of professional conduct, pertaining to individuals, partnerships and corporations practicing public accounting which it deems consistent with or required by the public welfare and rules of continuing education to be met by persons licensed under sections 326.165 to 326.23.

The board shall keep records of its proceedings, an accurate list of all applications made, licenses and certificates issued, and licenses and certificates revoked, and shall keep proper financial records in which there shall be entered a complete statement of the cash receipts and disbursements. The board shall issue to each person who satisfies the examination requirements of section 326.19, subdivision 1, a certified public accountant certificate and shall maintain a record of that issuance. The board shall issue a license as a certified public accountant to each holder of a certified accountant certificate who satisfies the experience requirements for a license as a certified public accountant or to a person who has been issued a certified public accountant certificate under section 326.19, subdivision 3. The board shall maintain a record of the issuance. It shall adopt and provide itself with a seal with a band inscribed "Certified Public Accountant, State of Minnesota," with the coat of arms of Minnesota in the center, which seal shall be affixed to each certificate of certified public accountant issued under sections 326.17 to 326.23. The board shall issue to each person who qualifies for a license under sections 326.17 to 326.23 as a licensed public accountant a certificate as a licensed public accountant and shall maintain a record of that issuance. It shall adopt and provide itself with a seal with a band inscribed "Licensed Public Accountant, State of Minnesota," with the coat of arms of Minnesota in the center, which seal shall be affixed to each certificate of the licensed public accountant, issued under sections 326.17 to 326.23. All records of the board shall be open to the inspection of the public at the office of its secretary.

Sec. 20. [331A.01] [DEFINITIONS.]

*Subdivision 1. As used in sections 20 to 30, the terms defined have the meanings given them except as otherwise expressly provided or indicated by the context.*

*Subd. 2. "Known office of issue" means the principal office maintained by the publisher or managing officer during a newspaper's regular business hours to gather news and sell ad-*

vertisements and subscriptions, whether or not printing or any other operations of the newspaper are conducted at or from the office, and devoted primarily to business related to the newspaper. A newspaper may have only one known office of issue.

Subd. 3. "Local public corporation" means a county, municipality, school district, or any other local political subdivision or local or area district, commission, board, or authority.

Subd. 4. "Municipality" means a home rule charter or statutory city or town.

Subd. 5. "Newspaper" means a publication issued regularly by the same person, corporation, or his or its successor, whether the name of the publication is the same or different.

Subd. 6. "Proceedings" means the substance of all official actions taken by the governing body of a local public corporation at any regular or special meeting, and at minimum includes the subject matter of a motion, the persons making and seconding a motion, the roll call vote on a motion, the character of resolutions or ordinances offered, including a brief description of their subject matter, and whether defeated or adopted.

Subd. 7. "Public notice" means every notice required or authorized by law or by order of a court to be published by a qualified newspaper, and includes:

(a) every publication of laws, ordinances, resolutions, financial information, and proceedings intended to give notice in a particular area;

(b) every notice and certificate of election, facsimile ballot, notice of referendum, notice of public hearing before a governmental body, and notice of meetings of private and public bodies required by law; and

(c) every summons, order, citation, notice of sale or other notice which is intended to inform a person that he may or shall do an act or exercise a right within a designated period or upon or by a designated date.

(d) this subdivision contains no independent requirement for the publication of any public notice.

Subd. 8. "Qualified newspaper" means a newspaper which complies with all of the provisions of section 21. The following terms, when found in laws referring to the publication of a public notice, shall be taken to mean a qualified newspaper: "qualified legal newspaper," "legal newspaper," "official newspaper," "newspaper," and "medium of official and legal publication."



Subd. 9. "Secondary office" means an office established by a newspaper in a community other than that in which its known office of issue is located, in the same or an adjoining county, to enhance its coverage of and service to that community, open on a regular basis to gather news and sell advertisements and subscriptions, whether or not printing or any other operations of the newspaper are conducted at or from the office, and devoted primarily to business related to the newspaper.

Subd. 10. "Summary" means an accurate and intelligible abstract or synopsis of the essential elements of proceedings, ordinances, resolutions, and other official actions. It shall be written in a clear and coherent manner, and shall, to the extent possible, avoid the use of technical or legal terms not generally familiar to the public. When a summary is published, the publication shall clearly indicate that the published material is only a summary and that the full text is available for public inspection at a designated location. A summary published in conformity with this section shall be deemed to fulfill all legal publication requirements as completely as if the entire matter which was summarized had been published. No liability shall be asserted against the local public corporation in connection with the publication of a summary or agenda.

Sec. 21. [331A.02] [REQUIREMENTS FOR A QUALIFIED NEWSPAPER.]

Subdivision 1. [QUALIFICATION.] No newspaper in this state shall be entitled to any compensation or fee for publishing any public notice unless it is qualified as a medium of official and legal publication. To be qualified as a medium of official and legal publication, a newspaper shall:

(a) Be printed in the English language in newspaper format and in column and sheet form equivalent in printed space to at least 1,000 square inches;

(b) If a daily, be distributed at least five days each week, or if not a daily, be distributed at least once each week, for 50 weeks each year. In any week in which a legal holiday is included, not more than four issues of a daily paper are necessary;

(c) In at least half of its issues each year, have no more than 75 percent of its printed space comprised of advertising material and paid public notices. In all of its issues each year, have 25 percent, if published more often than weekly, or 50 percent, if weekly, of its news columns devoted to news of local interest to the community which it purports to serve. Not more than 25 percent of its total nonadvertising column inches in any issue may wholly duplicate any other publication unless the duplicated material is from recognized general news services;

(d) *Be circulated in the local public corporation which it purports to serve, have at least 500 copies regularly delivered to paying subscribers and either have entry as second class matter in its local post office or have at least 500 copies regularly distributed without charge to local residents;*

(e) *Have its known office of issue established in either the county in which lies, in whole or in part, the local public corporation which the newspaper purports to serve, or in an adjoining county;*

(f) *File a copy of each issue immediately with the state historical society;*

(g) *Be made available at single or subscription prices to any person, corporation, partnership, or other unincorporated association requesting the newspaper and making the applicable payment, or be distributed without charge to local residents;*

(h) *Have complied with all the foregoing conditions of this subdivision for at least one year immediately preceding the date of the notice publication;*

(i) *The newspaper must before January 1 of each year publish and submit to the secretary of state a sworn United States Post Office second-class statement of ownership and circulation or a statement of ownership and circulation verified by a recognized independent circulation auditing agency.*

*Subd. 2. [EARLIER QUALIFICATION.] Newspapers which have been qualified, on May 20, 1965, as mediums of official and legal publication shall remain qualified only if they meet the requirements of subdivision 1, except as follows:*

(a) *If on May 20, 1965, any newspaper is a qualified medium of official and legal publication but is printed in a foreign language, or in English and a foreign language, and otherwise qualifies as a medium of official and legal publication pursuant to the requirements of subdivision 1, it shall be a medium of official and legal publication so long as it otherwise qualifies pursuant to the requirements of subdivision 1.*

(b) *If on May 20, 1965, any newspaper has been circulated in and near the municipality which it purports to serve to the extent of at least 240 but less than 500 copies regularly delivered to paying subscribers and otherwise qualifies as a medium of official and legal publication pursuant to the requirements of subdivision 1, it shall be a medium of official and legal publication so long as at least 240 copies are regularly so circulated and delivered and it otherwise qualifies pursuant to the requirements of subdivision 1.*

*Subd. 3. [PUBLICATION; SUSPENSION; CHANGES.]*  
*The following circumstances shall not affect the qualification of a newspaper, invalidate an otherwise valid publication, or invalidate a designation as official newspaper for publication of county board proceedings.*

*(a) Suspension of publication for a period of not more than three consecutive months resulting from the destruction of its known office of issue, equipment, or other facility by the elements, unforeseen accident, or acts of God or by reason of a labor dispute.*

*(b) The consolidation of one newspaper with another published in the same county, or a change in its name or ownership, or a temporary change in its known office of issue.*

*(c) Change of the day of publication, the frequency of publication, or the change of the known office of issue from one place to another within the same county. Except as provided in this subdivision, suspension of publication, or a change of known office of issue from one county to another, or failure to maintain its known office of issue in the county, shall deprive a newspaper of its standing as a medium of official and legal publication until the newspaper again becomes qualified pursuant to subdivision 1.*

*Subd. 4. [DECLARATORY JUDGMENT OF LEGALITY.]*  
*Any person interested in the standing as a medium of official and legal publication of a newspaper, may petition the district court in the county in which the newspaper has its known office of issue for a declaratory judgment whether the newspaper is qualified as a medium of official and legal publication. Unless filed by the publisher, the petition and summons shall be served on the publisher as in other civil actions. Service in other cases shall be made by publication of the petition and summons once each week for three successive weeks in the newspaper or newspapers the court may order and upon the persons as the court may direct. Publications made in a newspaper after a judgment that it is qualified but before the judgment is vacated or set aside shall be valid. Except as provided in this subdivision, the uniform declaratory judgments act and the rules of civil procedure shall apply to the action.*

**Sec. 22. [331A.03] [WHERE NOTICE PUBLISHED.]**

*A public notice shall be published in a qualified newspaper, and except as otherwise provided by law, in one that is likely to give notice in the affected area or to whom it is directed. When a statute or other law requires publication in a newspaper located in a designated municipality or area and no qualified newspaper is located there, publication shall be made in a qualified newspaper likely to give notice unless the particular statute*

or law expressly provides otherwise. If no qualified newspaper exists, then publication is not required.

Sec. 23. [331A.04] [DESIGNATION OF A NEWSPAPER FOR OFFICIAL PUBLICATIONS.]

*Subdivision 1. The governing body of any local public corporation, when authorized or required by statute or charter to designate a newspaper for publication of its official proceedings and public notices, shall designate a newspaper which is a qualified medium of official and legal publication in the following priority.*

*Subd. 2. If there are one or more qualified newspapers, the known office of issue of which are located within the local public corporation, one of them shall be designated.*

*Subd. 3. When no qualified newspaper has a known office of issue located in the local public corporation, but one or more qualified newspapers maintain a secondary office there, one of them shall be designated.*

*Subd. 4. When no qualified newspaper has its known office of issue or a secondary office located within the local public corporation, then a qualified newspaper of general circulation there shall be designated.*

*Subd. 5. If a local public corporation is without an official newspaper, or if the publisher refuses to publish a particular public notice, matters required to be published shall be published in a newspaper designated as provided in subdivision 4. The governing body of a local public corporation with territory in two or more counties may, if deemed in the public interest, designate a separate qualified newspaper for each county.*

Sec. 24. [331A.05] [FORM OF PUBLIC NOTICES.]

*Subdivision 1. All public notices shall be printed or otherwise disseminated in the English language.*

*Subd. 2. Unless otherwise specified by a particular statute, or by order of a court, publication of a public notice shall be as follows:*

*(a) the notice shall be published once;*

*(b) if the notice is intended to inform the public about a future event, the last publication shall occur not more than 14 days and not less than seven days before the event;*

(c) if the notice is intended to inform the public about a past action or event, the last publication shall occur not more than 45 days after occurrence of the action or event.

Subd. 3. Except as otherwise directed by a particular statute requiring publication of a public notice, a public notice shall be printed in a type face no smaller than six point with a lower case alphabet of 90 point. Larger type faces may be used.

Subd. 4. Every public notice shall include a title or caption in a body type no smaller than brevier or eight point referring to the content of the notice. Larger type faces may be used.

Subd. 5. The governing body of a local public corporation may, to better inform the public, increase the frequency of publication of a public notice beyond the minimum required by a particular statute. It may use forms and styles for the notice as it deems appropriate, including the use of display advertisements and graphics. It may publish or disseminate the notice in other newspapers in addition to the newspaper required to be designated under section 23. Regardless of whether a particular statute specifies "legal notice," "public notice," "notice," or uses similar terms, the governing body may use whatever form for the published notice that it deems appropriate in order to adequately inform the public, subject to the requirements of sections 20 to 30. Nothing in the foregoing provisions of this subdivision shall require the governing body of a local public corporation to use the options described.

Subd. 6. Nothing in this section shall invalidate or affect any statutory or charter provision imposing additional or special qualifications for publication of particular notices or proceedings.

#### Sec. 25. [331A.06] [FEES FOR PUBLICATION.]

Subdivision 1. The maximum rate charged for publication of a public notice shall not exceed the lowest classified rate paid by commercial users for comparable space in the newspapers in which the public notice appears, and shall include all cash discounts, multiple insertion discounts, and similar benefits extended to the newspaper's regular customers.

Subd. 2. Notwithstanding subdivision 1, no newspaper may increase its rates for publication of public notices by more than ten percent per year over the maximum rate actually charged by the newspaper in 1984 for publication of public notices, and in any case the new rate shall not exceed the rate described in subdivision 1 of this section. Nothing in this section shall be interpreted to mean that such an increase is required.

Subd. 3. When the governing board of a local public corporation awards a contract for the publication of public notices based

*on competitive bidding, the rate established by the competitive bidding shall be the rate charged for publication of the public notices.*

*Subd. 4. When a statute refers to publication of a public notice at the legal rate or at the rate provided in section 331.08, the maximum rate shall be as provided in this section.*

Sec. 26. [331A.07] [AFFIDAVIT OF PUBLICATION.]

*No compensation shall be recoverable for publishing legal or official matter in any newspaper not qualified, until there is filed with the county auditor the affidavit of a person having knowledge of the facts, showing the name and location of the newspaper and the existence of conditions constituting its qualifications as a qualified newspaper as set forth in section 21. If the matter published relates to proceedings in another county, a like affidavit must be filed with its auditor. The affidavit, if it states the required facts, shall be prima facie evidence of them and of the qualification. No compensation shall be recoverable for publishing legal or official matter in any newspaper unless the bill is accompanied by an affidavit of the publisher, or printer in charge, of the newspaper having knowledge of the facts, setting forth the fact that the newspaper has complied with all the requirements to constitute a legal newspaper. The affidavit must set forth the dates of the month and year and the day of the week upon which the legal or official matter was published in the newspaper.*

Sec. 27. [331A.08] [COMPUTATION OF TIME.]

*Subdivision 1. The time for publication of public notices shall be computed to exclude the first day of publication and include the day on which the act or event, of which notice is given, is to happen or which completes the full period required for publication.*

*Subd. 2. The time within which an act is to be done or proceeding had or taken, as prescribed by the rules of procedure, shall be computed by excluding the first day and including the last. If the last day is Sunday or a legal holiday the party shall have the next secular day in which to do the act or take the proceeding.*

Sec. 28. [331A.09] [PUBLICATION ON SUNDAY.]

*Any public notice may be printed in a newspaper published on Sunday, and the publication is a lawful publication and a full compliance with the order of the court or officer ordering the publication. Any notice that, by law or the order of any court, is required to be published for any given number of weeks may*

*be published on any day in each week or the term, and if published as many weeks and as many times in each week as required by the law or order, it is a lawful publication.*

Sec. 29. [331A.10] [CHANGE OF NAME OR DISCONTINUANCE OF NEWSPAPER.]

*Subdivision 1. When a legal notice is required or ordered to be published in a particular newspaper and the name of the newspaper is changed before the publication is completed, the publication shall be made or continued in the newspaper under its new name with the same effect as if the name had not been changed. The proof of the publication, in addition to other requirements, shall state the change of name and specify the period of publication in the newspaper under each name.*

*Subd. 2. When a newspaper ceases to be published before the publication of a public notice is commenced, or when commenced ceases before the publication is completed, the order for publication, when one is required in the first instance, may be amended by order of the court or judge, to designate another newspaper, as may be necessary. If no order is required in the first instance, publication may be made or completed in any other qualified newspaper. Any time during which the notice is published in the first newspaper shall be calculated as a part of the time required for the publication, proof of which may be made by affidavit of any person acquainted with the facts.*

Sec. 30. [331A.11] [APPLICATION.]

*Subdivision 1. Sections 20 to 30 apply to all municipalities and local public corporations.*

*Subd. 2. Sections 20 to 30 do not apply to notices required by private agreements or local laws to be published in newspapers, unless they refer to sections 20 to 30, or particular provisions of sections 20 to 30.*

Sec. 31. Minnesota Statutes 1982, section 346.02, is amended to read:

346.02 [FINDER TO GIVE NOTICE; PENALTY.]

Every finder of an estray, within seven days thereafter, shall notify the owner thereof, if to him known, and request him to pay all reasonable charges and take such estray away; but, if such owner be to him unknown, he shall within ten days file a notice with the town clerk. The clerk shall transmit a copy thereof to the county recorder, who shall record the same in a book designated "estrays book." (IF THE ESTRAY IS OF LESS VALUE THAN \$5,) The finder shall give posted notice (THEREOF) of the finding of the estray in said town (, BUT, IF THE VALUE

EXCEEDS \$5, HE SHALL GIVE FOUR WEEKS' PUBLISHED NOTICE THEREOF). The notice shall briefly describe the estray, giving its marks, natural and artificial, as nearly as practicable, naming the residence of the finder, and specifying the town, section, and time when taken up. For failure to give such notice, the finder shall be liable to the owner of the estray in double the amount of damages sustained by him thereby.

Sec. 32. Minnesota Statutes 1982, section 370.04, is amended to read:

370.04 [RECORD PETITION; PUBLISH NOTICE.]

Upon issuance of the proclamation, the secretary of state shall record the petitions, affidavits, and proclamation, and (SHALL CAUSE THREE WEEKS' PUBLISHED NOTICE OF THE PROCLAMATION TO BE GIVEN AT THE COUNTY-SEAT OF EACH COUNTY WHOSE TERRITORY WILL BE AFFECTED BY THE PROPOSED CHANGE, AND SHALL ALSO) transmit a certified copy of the proclamation, by mail, to the auditor of each county.

Sec. 33. Minnesota Statutes 1982, section 370.07, is amended to read:

370.07 [CANVASS; PROCLAMATION; SECRETARY OF STATE; AUDITOR; NOTICE TO COUNTY COMMISSIONERS.]

The state canvassing board shall canvass such returns at the time of canvassing the votes cast for state officers, and in the same manner; and it may resort to the returns received from the election judges for the correction of errors in the returns of the county canvassing board, and for supplying omissions therein. When the canvass is completed, the board shall make and file with the secretary of state its certificate declaring the result of the vote; and, if the certificate shows that the proposition has received a majority of the votes cast thereon in each county to be affected thereby, and also has received a majority of the votes cast thereon in the territory forming the proposed new county, if the proposition was for the establishment of a new county, the governor, within ten days thereafter, shall issue his proclamation declaring the same adopted. The secretary of state shall record the certificate and proclamation in his office, and transmit a certified copy of the proclamation to the auditor of each county whose territory is affected thereby. The auditor shall (CAUSE THREE WEEKS' PUBLISHED NOTICE THEREOF TO BE GIVEN, AND), if the proposition was for the establishment of a new county, (SHALL) serve a certified copy (THEREOF) on each of the persons elected as county commis-



sioners of the new county. The proclamation shall also be published with the general laws enacted at the next session of the legislature thereafter.

Sec. 34. Minnesota Statutes 1982, section 371.04, is amended to read:

371.04 [NOTICE OF PROCLAMATION.]

Upon the issuing of the proclamation the secretary of state shall record the petitions, affidavits, and proclamation, and (SHALL CAUSE THREE WEEKS' PUBLISHED NOTICE OF THE PROCLAMATION TO BE GIVEN IN THE COUNTY-SEAT OF EACH COUNTY AFFECTED THEREBY, AND SHALL) transmit a certified copy of the proclamation, by mail, to the auditor of each county.

Sec. 35. Minnesota Statutes 1982, section 372.02, is amended to read:

372.02 [FORM OF NOTICE.]

When the order is filed the auditor shall forthwith make, seal, subscribe, and file in his office a notice substantially in the following form: "To the legal voters of the county of (here name the county), Minnesota: Notice is hereby given that a petition is on file in my office, signed by legal voters of the county to the number of (here state number as shown by the petition and affidavits), praying that the county-seat of the county be changed to (here designate the place), and that a special meeting of the county board will be held at (name the place of meeting), on the (state time), to consider the petition, at which time and place any legal voter of the county may appear, in person or by counsel, and be heard." The auditor shall cause (TWO WEEKS' PUBLISHED NOTICE OF THE MEETING TO BE GIVEN IN ALL THE NEWSPAPERS OF THE COUNTY AND) ten days' posted notice (THEREOF) *of the meeting to be given* in each town therein. Proof of (PUBLICATION AND) posting may be by the affidavit of any person having personal knowledge thereof, which affidavit shall be filed in the office of the auditor, and thereafter be prima facie evidence of the truth of the facts therein set forth. Two weeks' (PUBLISHED) *posted* notice of the intention to circulate such petition shall be given (IN ONE OR MORE NEWSPAPERS OF THE COUNTY, AND TWO WEEKS' POSTED NOTICE OF SUCH INTENTION SHALL BE GIVEN) at the county-seat. Proof of the (PUBLICATION AND) posting shall be made in like manner as in the case of notice of the special meeting of the board.

Sec. 36. Minnesota Statutes 1982, section 372.08, is amended to read:

**372.08 [CANVASS; CERTIFICATE OF CANVASSING BOARD.]**

When the canvass is completed the canvassing board shall forthwith make, subscribe, and file with the auditor a certificate setting forth the total number of votes cast at the election, the number cast in each election district in favor of and against the change, and the majority in each for or against the same, the number cast in favor of and against the change in the county, and the majority therein for or against the same. If 55 percent of all the votes cast at the election shall be in favor of the change, the board shall (GIVE TWO WEEKS' PUBLISHED NOTICE OF THE RESULT IN ALL THE NEWSPAPERS OF THE COUNTY. THE NOTICE SHALL STATE THAT FROM AND AFTER A DATE SPECIFIED THEREIN, WHICH SHALL BE) *set a date* not less than 60 nor more than 90 days after the election (,) *after which* the place so chosen shall be the county-seat.

Sec. 37. Minnesota Statutes 1982, section 374.13, is amended to read:

**374.13 [TO ADVERTISE FOR BIDS.]**

Upon the completion of such plans and specifications and their approval or adoption by the city council and the board of county commissioners, the commission shall (PROCEED TO ADVERTISE FOR), *after notice appropriate to inform possible bidders, obtain* bids or proposals for all or any portion of the work or materials, or both, to be done, performed, or furnished in the construction of the building. (THE ADVERTISEMENT FOR BIDS OR PROPOSALS SHALL BE PUBLISHED IN THE OFFICIAL NEWSPAPER OF SUCH CITY, IF THERE BE ONE, AND, IF NOT, IN ANY NEWSPAPER PUBLISHED IN SUCH COUNTY TO BE SELECTED BY THE COMMISSION, AND MAY BE PUBLISHED IN SUCH OTHER NEWSPAPERS OR PUBLICATIONS, EITHER WITHIN OR WITHOUT THE STATE, AS THE COMMISSION MAY DEEM ADVISABLE, AND SHALL BE PUBLISHED FOR SUCH LENGTH OF TIME AS THE COMMISSION MAY DETERMINE.) All bids or proposals shall be sealed by the bidders or proposers and shall be filed with the commission at or before the time specified (IN SUCH ADVERTISING) for the opening of bids or proposals. At the time and place specified (IN THE ADVERTISEMENT) for the opening of bids or proposals, the commission shall meet, open the bids or proposals, and tabulate the same, and shall thereupon award the contract or contracts to the responsible bidder whose bid or proposal is the most favorable to the city or county, or reject all bids and proposals. In the event all bids or proposals are rejected, the commission may (READVERTISE FOR), *after similar notice, obtain more bids or proposals or may modify or change the plans and specifications and submit such modified plans and specifications to the*

city council and the board of county commissioners for approval, and when such modified or changed plans and specifications are satisfactory to both the city council and the board of county commissioners, the plans and specifications shall be returned to the commission and the commission shall proceed to again (ADVERTISE FOR), *after similar notice, obtain bids or proposals (IN THE MANNER HEREINBEFORE PROVIDED)*. Any such contract awarded by the commission shall be subject to approval by the city council and the board of county commissioners.

Sec. 38. Minnesota Statutes 1982, section 374.34, is amended to read:

**374.34 [ADVERTISEMENT FOR BIDS.]**

Upon the completion of such plans and specifications and their approval or adoption by the commission, the commission shall (PROCEED TO ADVERTISE FOR), *after notice appropriate to inform possible bidders, obtain bids or proposals for all or any portion of the work or materials, or both, to be done, performed or furnished in the construction of the building. (THE ADVERTISEMENT FOR BIDS OR PROPOSALS SHALL BE PUBLISHED IN THE OFFICIAL NEWSPAPER OF SUCH CITY, IF THERE BE ONE, AND IN THE OFFICIAL NEWSPAPER OF SUCH COUNTY, AND MAY BE PUBLISHED IN SUCH OTHER NEWSPAPERS OR PUBLICATIONS, EITHER WITHIN OR WITHOUT THE STATE, AS THE COMMISSION MAY DEEM ADVISABLE, AND SHALL BE PUBLISHED FOR SUCH LENGTH OF TIME AS THE COMMISSION MAY DETERMINE.)* All bids or proposals shall be sealed by the bidders or proposers and shall be filed with the commission at or before the time specified (IN SUCH ADVERTISING) for the opening of bids or proposals, at which time the commission shall meet, open the bids or proposals and tabulate the same, and shall thereupon award the contract or contracts to the responsible bidder whose bid or proposal is the most favorable, or reject all bids and proposals. In the event all bids or proposals are rejected, the commission may (RE-ADVERTISE FOR), *after similar notice, obtain more bids or proposals or may modify or change the specifications, and shall (PROCEED TO) again (ADVERTISE FOR), after similar notice, obtain more bids or proposals in the manner hereinbefore provided.*

Sec. 39. Minnesota Statutes 1982, section 375.025, subdivision 4, is amended to read:

Subd. 4. [REDISTRICTING PLAN; ELECTION FOLLOWING REDISTRICTING.] A redistricting plan whether prepared by the county board or the redistricting commission shall be filed in the office of the county auditor. (NOTICE THAT THE PLAN IS ON FILE SHALL BE PUBLISHED

IN THE NEWSPAPER HAVING THE CONTRACT FOR PUBLISHING THE COMMISSIONERS' PROCEEDINGS FOR THE CURRENT YEAR.) A redistricting plan shall be effective on the 31st day after (PUBLICATION OF THE NOTICE) *filing* unless a later effective date is specified; provided, no redistricting plan shall be effective as to the next election of county commissioners unless the plan shall have been filed with the county auditor not less than 30 days before the first date candidates may file for the office of county commissioner. One commissioner shall be elected in each district who, at the time of the election, shall be a resident thereof and the person so elected shall be entitled to hold the office only while he remains a resident of the commissioner district. The county board or the redistricting commission as appropriate shall determine the number of members of the county board who shall be elected for two year terms and for four year terms in order to provide for staggered terms on the county board. Thereafter, all commissioners shall be elected for four years. When a county is redistricted, there shall be a new election of commissioners in all the districts of the county at the next general election except that where the change made in the boundaries of a district is less than 10 percent of the average of all districts of the county, the commissioner in office at the time of the redistricting shall serve for the full period for which he was elected.

Sec. 40. Minnesota Statutes 1982, section 375.12, is amended to read:

375.12 [PUBLICATION OF PROCEEDINGS.]

Subdivision 1. The county board shall cause the official proceedings of its sessions to be published in (SOME) a qualified newspaper (PRODUCED AND PUBLISHED IN ITS) *of general circulation in the 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) *If the county board determines that publication of a summary of the proceedings would adequately inform the public of the substance of the proceedings, the county board may direct that only a summary be published, conforming to the requirements of section 20, subdivision 10.* 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.) *The publication shall occur within 30 days of the meeting to which the proceedings relate.*

Subd. 2. Individualized itemized accounts, claims or demands allowed by the county board pursuant to section 471.38, subdivision 1, need not be published pursuant to subdivision 1, provided that the amount allowed from each claim is \$100 or less. The official proceedings following the itemization of accounts required shall contain a statement showing the total number of claims that did not exceed \$100, and the total dollar amount of those claims.

Sec. 41. [375.169] [PUBLICATION OF SUMMARY BUDGET STATEMENT.]

*Annually, upon adoption of the county budget, the county board shall cause a summary budget statement to be published in the official newspaper of the county, or if there is none, in a qualified newspaper of general circulation in the county. The statement shall contain information relating to anticipated revenues and expenditures in a form prescribed by the state auditor. The form prescribed shall be designed so that comparisons can be made between the current year and the budget year. A note shall be included that the complete budget is available for public inspection at a designated location within the county.*

Sec. 42. Minnesota Statutes 1982, section 375.17, is amended to read:

375.17 [PUBLICATION OF FINANCIAL STATEMENTS.]

Annually, not later than the first Tuesday after the first Monday in March, the county board shall make a full and accurate statement of the receipts and expenditures of the preceding year, which shall contain a statement of the assets and liabilities, a summary of receipts, disbursements, and balances of all county funds together with a detailed statement of each fund account, under the form and style prescribed by and on file with the state auditor, which prescribed form and any changes or modifications thereof shall so far as practical be uniform for all counties and shall be approved by the attorney general and the state printer and (WITHIN 30 DAYS THEREAFTER) *before June 1* shall cause the same to be published for one issue in some newspaper within the county, which newspaper must be a duly qualified legal newspaper, as provided by law. The county board

may also refrain from publishing an itemized account of amounts paid out, to whom and for what purpose to the extent that the published proceedings of the county board contain such information, provided that all disbursements aggregating \$5,000 or more to any person are set forth in a schedule of major disbursements showing amounts paid out, to whom and for what purpose and are made a part of, and published with, the financial statement. The county board may refrain from publishing the names and amounts of salaries and expenses paid to employees but shall publish the totals of disbursements for salaries and expenses. The county board may refrain from publishing the names of persons receiving poor relief or direct relief and the amounts paid to each, but the totals of the disbursements for such purposes must be published. In addition to the publication thereof in the newspaper designated by the board as the official newspaper for publication of the financial statement, the same shall be published in one other newspaper (OF THE COUNTY), if there be one (LOCATED) of *general circulation* in a different municipality in the county than the official newspaper. The county board shall call for separate bids for each publication. Insofar as any provision of this section is inconsistent with the provisions of section 393.07, the provisions of that section shall prevail.

Sec. 43. Minnesota Statutes 1982, section 375.51, subdivision 3, is amended to read:

Subd. 3. [PUBLICATION.] Every ordinance enacted by a county board shall be published at least once as part of the proceedings of the meeting at which the ordinance was enacted. Publication shall be made in the official newspaper of the county but additional publications, either in the official newspaper or other newspaper, may be ordered. An ordinance may be published in its entirety, or otherwise as hereinafter provided.

To the extent of the authority described in subdivision 1 of this section, a county may incorporate in an ordinance by reference any statute of Minnesota, any administrative rule or regulation of any department of the state of Minnesota affecting the county, or any code. The term "code" as used herein means any compilation of regulations or standards or parts thereof prepared by any governmental agency or any trade or professional association for general distribution in printed form as a standard or model on the subject of building construction, plumbing, electric wiring, inflammable liquids, sanitary provisions, public health, safety, or general welfare.

In the case of lengthy ordinances, or ordinances which include charts or maps, the ordinance need not be published in its entirety if the title of the ordinance and a summary of the ordinance *conforming to section 20, subdivision 10*, is included in the publication of the proceedings of the meeting at which the ordinance was enacted, *with notice that a printed copy of the*

*ordinance is available for inspection by any person during regular office hours at the office of the county auditor. In such case and in the case a statute, administrative rule or regulation or a code is adopted by reference, all requirements of statute for the publication of ordinances shall be satisfied if the summary of the ordinance or the ordinance incorporating the statute, regulation, ordinance or code is published in the required manner and if, prior to such publication, at least one copy of the entire ordinance or of the statute, rule, regulation or code are marked as the official copy and filed for use and examination by the public in the office of the county auditor. Provisions of the entire ordinance or of the statute, rule, regulation or code thus incorporated in such ordinance by reference shall be as much a part of the ordinance as if they had been set out in full therein.*

Sec. 44. Minnesota Statutes 1982, section 375.52, is amended to read:

**375.52 [REVISION AND CODIFICATION.]**

Any county may revise and codify and print in book, pamphlet or newspaper form any general and special laws, ordinances, resolutions and rules in force in the county. Such codification shall be a sufficient publication of any ordinance included in it and not previously published in a newspaper if a substantial quantity of the codification is printed for general distribution to the public. (A NOTICE THAT COPIES OF THE CODIFICATION ARE AVAILABLE IN THE OFFICE OF THE COUNTY AUDITOR SHALL BE PUBLISHED IN THE OFFICIAL COUNTY NEWSPAPER FOR AT LEAST TWO SUCCESSIVE WEEKS.) The county board is authorized to make a reasonable charge for the cost of printing and distribution of ordinances or a codification of ordinances.

Sec. 45. Minnesota Statutes 1982, section 383A.27, subdivision 2, is amended to read:

Subd. 2. [RULES; JOURNAL.] The board shall determine its own rules and order of business and shall provide for keeping a journal of its official proceedings. This journal shall be a public record and shall be published according to Minnesota Statutes, Section 375.12, in a newspaper having in the county its own office of issue (, AS THIS TERM IS DEFINED IN MINNESOTA STATUTES, SECTION 331.02,) and doing its typographic composition and presswork in the county.

Sec. 46. Minnesota Statutes 1982, section 412.191, subdivision 3, is amended to read:

Subd. 3. [PUBLICATION OF COUNCIL PROCEEDINGS.] The council (MAY PUBLISH ALL OR ANY PART OF THE OFFICIAL COUNCIL PROCEEDINGS IN THE OFFICIAL

NEWSPAPER. IN THE CASE OF PARTIAL PUBLICATION, THE PUBLISHED PROCEEDINGS SHALL INDICATE IN WHAT RESPECTS THEY ARE INCOMPLETE) *after every regular or special meeting shall publish the official council proceedings, a summary conforming to section 20, subdivision 10, or a condensed version of the official minutes which shall include action on motions, resolutions, ordinances, and other official proceedings. The publication shall occur within 30 days of the meeting to which the proceedings relate.*

Sec. 47. Minnesota Statutes 1982, section 412.191, subdivision 4, is amended to read:

Subd. 4. [ENACTMENT OF ORDINANCES.] Every ordinance shall be enacted by a majority vote of all the members of the council except where a larger number is required by law. It shall be signed by the mayor, attested by the clerk and published once in the official newspaper. *In the case of lengthy ordinances, or ordinances which include charts or maps, if the city council determines that publication of the title and a summary of an ordinance would clearly inform the public of the intent and effect of the ordinance, the council may by a four-fifths vote of its members direct that only the title of the ordinance and a summary be published, conforming to section 20, subdivision 10, with notice that a printed copy of the ordinance is available for inspection by any person during regular office hours at the office of the city clerk and any other location which the council designates. A copy of the entire text of the ordinance shall be posted in the community library, if there is one, or if not, in any other public location which the council designates. Prior to the publication of the title and summary the council shall approve the text of the summary and determine that it clearly informs the public of the intent and effect of the ordinance. The publishing of the title and summary shall be deemed to fulfill all legal publication requirements as completely as if the entire ordinance had been published. The text of the summary shall be published in a body type no smaller than brevier or eight-point type (, AS DEFINED IN SECTION 331.07). Proof of the publication shall be attached to and filed with the ordinance.*

Every ordinance shall be recorded in the ordinance book within 20 days after publication of the ordinance or its title and summary. All ordinances shall be suitably entitled and shall be substantially in the style. "The City Council of ..... ordains:".

Sec. 48. Minnesota Statutes 1982, section 414.09, subdivision 3, is amended to read:

Subd. 3. [ELECTIONS OF MUNICIPAL OFFICERS.] An order approving an incorporation or consolidation pursuant to this chapter shall set a date for this election of new municipal officers not less than 45 days nor more than 60 days after the



issuance of such order. The board shall appoint an acting clerk for election purposes, at least three election judges who shall be residents of the new municipality, and shall designate polling places within the new municipality.

The acting clerk shall prepare the official election ballot. Affidavits of candidacy may be filed by any person eligible to hold municipal office not more than four weeks nor less than two weeks before the date designated by the board for the election. (AT LEAST ONE WEEK BEFORE THE FIRST DAY TO FILE SUCH AFFIDAVITS THE ACTING CLERK SHALL PUBLISH A NOTICE IN A NEWSPAPER QUALIFIED AS A MEDIUM OF OFFICIAL PUBLICATION AND OF GENERAL CIRCULATION WITHIN THE NEW MUNICIPALITY STATING THE FIRST AND LAST DATES ON WHICH SUCH AFFIDAVITS MAY BE FILED, THE LOCATION OF THE CLERK'S OFFICE, THE CLERK'S OFFICE HOURS, AND THE AMOUNT OF THE FILING FEE.)

(THE ACTING CLERK SHALL PUBLISH A NOTICE OF ELECTION IN A NEWSPAPER QUALIFIED AS A MEDIUM OF OFFICIAL PUBLICATION AND OF GENERAL CIRCULATION WITHIN THE NEW MUNICIPALITY FOR TWO SUCCESSIVE WEEKS IMMEDIATELY PRIOR TO THE DATE DESIGNATED BY THE BOARD FOR THE ELECTION. THE ELECTION NOTICE SHALL STATE THE PURPOSE, DATE, AND POLLING PLACES FOR THE ELECTION, AND SHALL STATE THE TIME THE POLLS SHALL BE OPEN, WHICH TIME SHALL BE AT LEAST FIVE HOURS.)

The election shall be conducted in conformity with the charter and the laws for conducting municipal elections insofar as applicable. Any person eligible to vote at a township or municipal election within the area of the new municipality, is eligible to vote at such election.

Any excess in the expense of conducting the election over receipts from filing fees shall be a charge against the new municipality; any excess of receipts shall be deposited in the treasury of the new municipality.

Sec. 49. Minnesota Statutes 1982, section 415.021, is amended to read:

#### 415.021 [CODIFICATION OF ORDINANCES.]

Any city, however organized, may revise and codify and print in book, pamphlet or newspaper form, any ordinances, resolutions, and rules of the city and may include therein for reference any applicable general or special laws. Such codification shall be a sufficient publication of any ordinance included in it and not

previously published in a newspaper if a substantial quantity of the codification is printed for general distribution to the public. (A NOTICE THAT COPIES OF THE CODIFICATION ARE AVAILABLE AT THE OFFICE OF THE CITY CLERK OR RECORDER SHALL BE PUBLISHED FOR AT LEAST TWO SUCCESSIVE WEEKS IN THE OFFICIAL NEWSPAPER, OR, IF THERE IS NONE, IN A NEWSPAPER OF GENERAL CIRCULATION IN THE CITY.)

Sec. 50. Minnesota Statutes 1982, section 429.061, subdivision 2, is amended to read:

Subd. 2. [ADOPTION; INTEREST.] At such meeting or at any adjournment thereof the council shall hear and pass upon all objections to the proposed assessment, whether presented orally or in writing. The council may amend the proposed assessment as to any parcel and by resolution adopt the same as the special assessment against the lands named in the assessment roll. Notice of any adjournment of the hearing shall be adequate if the minutes of the meeting so adjourned show the time and place when and where the hearing is to be continued (, OR IF THREE DAYS NOTICE THEREOF BE PUBLISHED IN THE NEWSPAPER).

The council may consider any objection to the amount of a proposed assessment as to a specific parcel of land at an adjourned hearing upon further notice to the affected property owner as it deems advisable. At the adjourned hearing the council or a committee of it may hear further written or oral testimony on behalf of the objecting property owner and may consider further written or oral testimony from appropriate city officials and other witnesses as to the amount of the assessment. The council or committee shall prepare a record of the proceedings at the adjourned hearing and written findings as to the amount of the assessment. The amount of the assessment as finally determined by the council shall become a part of the adopted assessment roll. All objections to the assessments not received at the assessment hearing in the manner prescribed by this section are waived, unless the failure to object at the assessment hearing is due to a reasonable cause.

The assessment, with accruing interest, shall be a lien upon all private and public property included therein, from the date of the resolution adopting the assessment, concurrent with general taxes; but the lien shall not be enforceable against public property as long as it is publicly owned, and during such period the assessment shall be recoverable from the owner of such property only in the manner and to the extent provided in section 435.19. Except as provided below, all assessments shall be payable in equal annual installments extending over such period, not exceeding 30 years, as the resolution determines, payable on the first Monday in January in each year, but the

number of installments need not be uniform for all assessments included in a single assessment roll if a uniform criterion for determining the number of installments is provided by the resolution. The first installment of each assessment shall be included in the first tax rolls completed after its adoption and shall be payable in the same year as the taxes contained therein; except that the payment of the first installment of any assessment levied upon unimproved property may be deferred until a designated future year, or until the platting of the property or the construction of improvements thereon, upon such terms and conditions and based upon such standards and criteria as may be provided by resolution of the council. 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. In any event, every assessment the payment of which is so deferred, when it becomes payable, shall be divided into a number of installments such that the last installment thereof will be payable not more than 30 years after the levy of the assessment. All assessments shall bear interest at such rate as the resolution determines, not exceeding eight percent per annum, except that the rate may in any event equal the average annual interest rate on bonds issued to finance the improvement for which the assessments are levied. To the first installment of each assessment shall be added interest on the entire assessment from a date specified in the resolution levying the assessment, not earlier than the date of the resolution, until December 31 of the year in which the first installment is payable, and to each subsequent installment shall be added interest for one year on all unpaid installments; or alternatively, any assessment may be made payable in equal annual installments including principal and interest, each in the amount annually required to pay the principal over such period with interest at such rate as the resolution determines, not exceeding the maximum period and rate specified above. In the latter event no prepayment shall be accepted under subdivision 3 without payment of all installments due to and including December 31 of the year of prepayment, together with the original principal amount reduced only by the amounts of principal included in such installments, computed on an annual amortization basis. When payment of an assessment is deferred, as authorized in this subdivision, interest thereon for the period of deferment may be made payable annually at the same times as the principal installments of the assessment would have been payable if not deferred; or interest for this period may be added to the principal amount of the assessment when it becomes payable; or, if so provided in the resolution levying the assessment, interest thereon to December 31 of the year before the first installment is payable may be forgiven.

Sec. 51. Minnesota Statutes 1982, section 430.02, subdivision 3, is amended to read:

Subd. 3. [NOTICE OF HEARING; HEARING; AWARD AND APPRAISEMENT.] The commissioners shall give notice, (BY TWO PUBLICATIONS IN THE OFFICIAL NEWSPAPER OF THE CITY) *in a manner appropriate to inform the public*, that the survey and plat and the pedestrian mall ordinance, if any, is on file in the office of the city clerk for the examination of all persons interested and that they will, on a day designated in this notice, (WHICH SHALL BE AT LEAST TEN DAYS AFTER THE FIRST PUBLICATION OF THE NOTICE,) meet at a place designated in the notice on or near the proposed improvement, and view the property proposed to be taken or interfered with for the purposes of these improvements, and ascertain and award therefor compensation and damages, and view the premises to be benefited by this improvement, and assess thereon in proportion to benefits, the amount necessary to pay the compensation and damage and the cost of making the improvement and that they will then and there hear such allegations and proofs as interested persons may offer. These commissioners shall meet and view the premises pursuant to the notice, and may adjourn, from time to time, and, after having viewed the premises, may, for the hearing of evidence and preparation of their award and assessment, adjourn or go to any other convenient place in the city, and may have the aid and advice of the city engineer and of any other officer of the city, and adjourn from time to time. If a pedestrian mall ordinance is proposed by the council under section 430.011, in connection with an improvement, the commissioners may consider the business uses of abutting property affected by such ordinance and by the improvement to which it relates and the probable effect which the ordinance and improvement will have on the value of such property and such uses and shall consider whether such property has access to some other street or alley for delivering and receiving merchandise and materials and the extent to which the use and value of property without such access will suffer as a result of the adoption of such ordinance and the making of such improvement. After viewing the premises and hearing the evidence offered, these commissioners shall prepare and make a true and impartial appraisal and award of the compensation and damages to be paid to each person whose property is to be taken or injured by the making of the improvement; but if the remainder of the same property, a part of which only is to be taken or damaged by the improvement, shall be benefited by the improvement, then the commissioners, in considering and awarding compensation and damages, shall also consider, estimate, and offset the benefits which will accrue to the same owner, in respect to the remainder of the same property, and award him only the excess of the compensation or damages over and above these benefits.

Sec. 52. Minnesota Statutes 1982, section 430.02, subdivision 7, is amended to read:

Subd. 7. [PUBLICATION OF NOTICE OF HEARING.] The commissioners shall, upon the completion of their report, file the same with the city clerk and thereupon it shall be the duty of the city clerk to (GIVE NOTICE TO ALL INTERESTED PARTIES BY PUBLISHING, AS SOON AS POSSIBLE, IN THE OFFICIAL NEWSPAPER OF THE CITY A NOTICE CONTAINING) *prepare a list of* descriptions of the several lots and parcels of land taken for these proposed improvements, the amount awarded for the taking of each lot or parcel, the names of the owner or owners of the same, descriptions of the several lots or parcels of land upon which benefits have been assessed, the amount assessed against each lot or parcel and the names of the owner or owners of the same the names of all owners referred to herein to be obtained from the commissioners and, so far as may be necessary, from the records in the office of the county treasurer. (IF A PEDESTRIAN MALL ORDINANCE IS PROPOSED TO BE ADOPTED IN CONNECTION WITH THE IMPROVEMENT UNDER SECTION 430.011, A COPY OF THE PROPOSED ORDINANCE SHALL BE PUBLISHED WITH THE NOTICE AND THE NOTICE SHALL REFER TO THE ORDINANCE AND SHALL STATE THAT ANY AND ALL OBJECTIONS TO THE ADOPTION OF THE ORDINANCE WILL BE HEARD AND CONSIDERED) *The clerk shall give notice of the proceedings appropriate to inform the owners of the proposed action.* The (PUBLISHED) notice shall (ALSO) designate and fix a place and time, (NOT EARLIER THAN THREE WEEKS FROM DATE OF PUBLICATION OF THE SAME,) at which a committee therein designated by the board of park commissioners or of the council will meet to hear and consider, from or on the part of the owner or owners of the several lots or parcels of land taken for the proposed improvement and of the several lots or parcels of land upon which benefits have been assessed, any and all objections to the making of the improvement, to the amount of damages awarded for the taking of or interference with the property involved, to the amount of the assessment for benefits to any property affected by the proceedings, and any and all claims of irregularities in the proceedings of the city council, board of park commissioners, or the commissioners so appointed by either thereof.

Sec. 53. Minnesota Statutes 1982, section 430.02, subdivision 11, is amended to read:

Subd. 11. [COMMITTEE REPORT.] Within ten days from the conclusion of the hearing or hearings the committee shall file with the city clerk its report and recommendation on the matter so submitted, and upon such filing the city clerk shall give notice that this report and recommendation has been filed and that the same, together with the report of the commissioners, will be considered by the city council at a meeting thereof to be designated in the notice, which notice shall be (PUBLISHED IN THE OFFICIAL NEWSPAPERS OF THE CITY ONCE A WEEK FOR TWO CONSECUTIVE WEEKS, THE LAST PUB-

LICATION THEREOF BEING AT LEAST TWO WEEKS BEFORE THE MEETING OF THE CITY COUNCIL) *given in a manner appropriate to inform the persons affected and the public.*

Sec. 54. Minnesota Statutes 1982, section 430.02, subdivision 12, is amended to read:

Subd. 12. [ACTION BY COUNCIL.] The city council, upon the day fixed for the consideration of the reports and recommendation or at any subsequent meeting to which the same may stand over or be referred, may, by resolution, annul and abandon the proceedings, or may confirm the awards and assessments or any or either thereof, or annul the same, or send the same back to the commissioners for further consideration; and the commissioners may, in such case, again meet at a time and place to be designated in a notice which shall be (PUBLISHED BY THE CITY CLERK ONCE IN THE OFFICIAL NEWS-PAPER OF THE CITY, COPIES OF WHICH TO BE SIMILARLY) mailed by the city clerk to all interested persons, at least two weeks prior to the meeting, and hear any further evidence that may be adduced by interested persons, and may adjourn from time to time, and may correct any mistakes in the award and assessment and alter and revise the same as they may deem just, and again report the same to the city council, who may thereupon confirm or annul the same. If it shall desire to confirm the awards and assessments, the city council shall then give its final reading to and vote on the adoption of any pedestrian mall ordinance proposed in connection with the improvement pursuant to section 430.011, and if it shall be amended or shall fail of adoption for lack of a sufficient majority of votes or otherwise, any improvement instituted in connection with such proposed ordinance shall either be abandoned or the awards and assessments shall be returned to the commissioners for further consideration.

Sec. 55. Minnesota Statutes 1982, section 430.04, is amended to read:

#### 430.04 [AWARDS; HOW PAID; ASSESSMENTS.]

When any award of damages made to appellants upon any appeal to the district court shall exceed the amount of the award appealed from, and when any assessment of benefits made in respect to any appellant upon appeal shall be less than the amount of the assessment of benefits appealed from, the amount of this increase in the amount of the award of damages and the amount of this decrease in the assessment of benefits may be paid by the city from the permanent improvement fund or any fund of the city available therefor, or the city council may cause the same to be assessed upon and against any property benefited by the proposed improvements in addition and without prejudice to prior assessments made thereon in the proceedings, and may refer the matter to the commissioners theretofore appointed by the council in the proceeding or to new commissioners to be

appointed by the city council. These commissioners, whether new or old, shall have the same qualifications as required of commissioners appointed by section 430.02 and shall take oath to faithfully discharge their duties as commissioners and give notice of the time and place when and where they will meet to hear persons interested and assess the amounts of the increase of awards of damages and decrease of assessments of benefits upon the land and property, theretofore assessed for these benefits, or assess benefits on lots or parcels of land not theretofore assessed for benefits in the proceeding. The notice, as to the owners of the lots or parcels of land entitled to increase of awards upon any appeal, and as to the owners of any lots or parcels of land to be then assessed for benefits that were not so assessed in the original proceeding by the commissioners, shall be given by these commissioners by depositing the same in the post office of the city, postage postpaid, directed to each of the persons at his last known place of residence, if known to the commissioners, otherwise as obtained from the office of the county treasurer; provided that the failure of any owner to receive this notice shall not in any wise operate to invalidate any of the proceedings covered by this chapter. The commissioners shall meet, at the time and place so designated in their notice, hear all persons interested, and assess the amount of the increased awards of damages and decreased assessments of benefits, or new and original assessments of benefits, upon the property benefited by the proposed improvements, in proportion to the benefits, but in no case shall the amount of this assessment exceed the actual benefit to the lot or parcel of land so assessed, and the commissioners shall prepare and file with the city clerk an assessment list of the assessment so made by them, containing a brief description of each piece of property assessed, the name of the owners thereof, if known, and the amount assessed against the same, and the city clerk shall present this list to the city council for consideration. A brief minute of the presentation of this assessment list to the city council shall be (MADE AND PUBLISHED) *included* in the record of the proceedings of the city council, which shall be held to be sufficient notice to all persons concerned. This assessment list shall lie over without action thereon by the city council until the next regular meeting of the council which will occur at least one week thereafter, at which time, or at any meeting thereafter, the city council may confirm the assessments and assessment roll, or send the same back to the commissioners for further consideration and report thereon. Any person interested who is dissatisfied with the amount of an assessment may appeal from the confirmation of the assessment by the city council to the district court, in like manner and with like proceedings as provided in section 430.03 in respect to filing objections and taking appeals from original appeals made in such proceedings from such order of confirmation. Any decrease made in any assessments upon any appeal may be paid by the city from the permanent improvement fund or from any fund of the city available therefor, or the city council may cause the same to be reassessed as hereinabove provided.

Sec. 56. Minnesota Statutes 1982, section 430.07, subdivision 5, is amended to read:

Subd. 5. If, in any proceedings under this chapter, the actual cost of the improvement of any street, park, or parkway in the manner herein designated is less than the estimated cost thereof, as found and adopted by it, the city council, except as otherwise provided by this subdivision, shall immediately cancel and annul the assessments made in the proceedings to an amount which, in the aggregate, shall not exceed such fractional part of the total amount of the excess of estimated cost over the actual cost as shall be equivalent to the fraction obtained by dividing the total amount of the assessments by the total amount of the estimated cost.

In case the assessments in any proceeding have not been entirely collected or in case the city council deems that any such assessments cannot be fully collected, the city council may direct the city comptroller to retain in the fund in the proceeding a sum sufficient, in the judgment of the city council, to cover the deficiencies in the collection of the assessments, and the city council shall direct that the balance of the excess of estimated cost shall be disposed of in the following manner. The city council shall direct the city comptroller to certify the amount of this balance to the county auditor. The auditor shall thereupon deduct the amount from the first instalment of the assessment to be collected after the receipt of this certificate. This deduction shall be made from the assessment against each piece or parcel of property in the proportion that the excess, as certified by the city comptroller, bears to the total of the instalment of the assessment. If the balance as certified, exceeds one instalment, it shall also be deducted in like manner from succeeding instalments until the same is fully deducted.

If the assessment against a piece or parcel of property has been paid in full, and the amount to be refunded does not exceed \$1, the city council may deposit the amount of the potential refund in the city's permanent improvement fund or bond redemption fund. If the amount to be refunded exceeds \$1, but does not exceed \$20, the city comptroller shall mail to the current owner of the property a notice stating that the refund is available. The notice shall be mailed within 60 days after the city council determines the actual cost of the improvement. If the amount to be refunded exceeds \$20 the following notice procedure shall be followed. The city comptroller shall mail to the person who owned the property when the assessment was paid, at his last known address, a notice stating that the refund is available. The notice shall be mailed within 60 days after the city council determines the actual cost of the improvement. If a response is not received from the owner within ten days of the date of mailing, a second notice shall be mailed. (IF A RESPONSE IS NOT RECEIVED FROM THE OWNER WITHIN TEN DAYS OF THE DATE OF THE SECOND MAILING,



A NOTICE OF REFUND CONTAINING THE NAME OF THE PERSON WHO WAS THE OWNER WHEN THE ASSESSMENT WAS PAID, AND THE ADDRESS OF THE PROPERTY SHALL BE PUBLISHED IN A NEWSPAPER OF GENERAL CIRCULATION IN THE CITY.) If the refund is not claimed by the person who owned the property when the assessment was paid, within 30 days of the date of mailing of the last required notice (OR WITHIN 30 DAYS OF THE DATE OF PUBLICATION OF ANY REQUIRED NOTICE, WHICHEVER IS LATER,) the city council may deposit the amount of the potential refund in the city's permanent improvement fund or bond redemption fund.

Sec. 57. Minnesota Statutes 1982, section 430.102, subdivision 3, is amended to read:

Subd. 3. [ANNUAL IMPROVEMENT ASSESSMENT PROCEDURE; APPEALS.] When the council shall have acted on the estimate of costs, the city engineer, with the assistance of the city assessor, shall prepare an assessment roll setting forth separately the amounts to be specially assessed against the benefited and assessable properties in the district in proportion to the benefits, descriptions of such properties, and the names of the owners of such properties, so far as such names are available to him. The assessment roll, when so prepared, shall be filed in the office of the city clerk and be there available for inspection. The city council shall meet to consider objections to the amounts of such special assessments at least ten days after a notice of hearing has been (PUBLISHED ONCE IN THE OFFICIAL NEWSPAPER AND) mailed to the named owners of all tracts, parcels and lots of property proposed to be assessed. The notice shall set forth the time and place of meeting, and set forth the purpose of such meeting, but may refer to the assessment roll for further particulars. When the city council shall have approved the amounts of the special assessments set forth therein, or as may be changed by it, the city clerk shall forthwith certify a copy of the assessment roll, with such changes, if any, to the county auditor to be extended on the tax lists of the county and to be collected with and in the same manner as other taxes on property for the current year. Within 20 days after the adoption of the assessment, any person aggrieved may appeal to the district court as provided in section 430.03 except that commissioners shall not be appointed to consider the amount of benefits; if the court shall find that the assessment is not arbitrary, unreasonable, or made under a demonstrable mistake of fact or erroneous theory of law, it shall confirm the proceedings, but otherwise shall remand the same to the city council for reconsideration and reassessment of the benefits upon like notice and hearing as in the case of original assessments under this subdivision. All objections to the assessment shall be deemed waived unless presented on such appeal.

Sec. 58. Minnesota Statutes 1982, section 435.202, subdivision 2, is amended to read:

Subd. 2. [REFUND OF ASSESSMENTS.] the governing body of the municipality shall also notify the municipal clerk or recorder of such fact, and he shall forthwith (PUBLISH A) *provide* notice (IN THE OFFICIAL NEWSPAPER OF THE MUNICIPALITY) *appropriate to inform interested persons* describing the improvement and stating that it has been abandoned and that any person who paid any special assessments levied on account of such improvement may file a claim, within six months following the date of (PUBLICATION OF) the notice, for refund of such assessments paid by him, together with any interest he paid thereon. (IF THE MUNICIPALITY HAS NO OFFICIAL NEWSPAPER, SUCH NOTICE MAY BE PUBLISHED IN ANY NEWSPAPER PUBLISHED IN THE MUNICIPALITY OR, IF NO NEWSPAPER IS PUBLISHED IN THE MUNICIPALITY, IT MAY BE POSTED.) The municipality is not required to, but may, pay such claims filed after the period allowed, and it may require any claimant to furnish satisfactory evidence that he paid the amounts claimed. Such claims may be paid out of moneys in the fund of the improvement which was abandoned, unless obligations have been issued payable therefrom, or they may be paid out of moneys in the general fund.

Sec. 59. Minnesota Statutes 1982, section 441.04, is amended to read:

441.04 [ADVERTISE FOR BIDS.]

As soon as the plans and specifications are approved by the council of each city the committee shall (CAUSE ADVERTISEMENTS TO BE PUBLISHED ONCE IN EACH WEEK FOR THREE SUCCESSIVE WEEKS IN A DAILY NEWSPAPER OF EACH CITY FOR) *give notice appropriate to inform interested persons requesting* public bids for the construction of the bridge, specifying the time and place for opening the bids, the amount and character of deposit required with the bids, together with any reasonable requirements or conditions, and reserving the right to reject any and all bids. No contract shall be let except to the lowest responsible bidder; provided that any such city, acting through its council, may submit a bid and if its bid be the lowest bid the contract shall be awarded to the city, subject to the power of the committee to reject all bids.

Sec. 60. Minnesota Statutes 1982, section 462.427, subdivision 3, is amended to read:

Subd. 3. [PUBLIC HEARING; NOTICE; PUBLICATION; RESOLUTION.] The governing body of a political subdivision shall not adopt any resolution authorized by this and section 462.426 unless a public hearing has first been held. The clerk of such political subdivision shall give notice of the time, place, and purpose of the public hearing not less than ten days nor more than 30 days prior to the day on which the hearing is to be held,

in a (NEWSPAPER PUBLISHED IN SUCH POLITICAL SUBDIVISION; OR IF THERE IS NO NEWSPAPER PUBLISHED IN SUCH POLITICAL SUBDIVISION, THEN IN A NEWSPAPER PUBLISHED IN THE STATE AND HAVING A GENERAL CIRCULATION IN SUCH POLITICAL SUBDIVISION) *manner appropriate to inform the public*. Upon the date fixed for such public hearing an opportunity to be heard shall be granted to all residents of such political subdivision and to all other interested persons. (THE RESOLUTION SHALL BE PUBLISHED IN A NEWSPAPER OF GENERAL CIRCULATION IN THE POLITICAL SUBDIVISION.)

Sec. 61. Minnesota Statutes 1982, section 465.32, is amended to read:

465.32 [NOTICE OF MEETING.]

The appraisers shall give notice of their meeting (BY PUBLICATION IN THE OFFICIAL NEWSPAPER OF THE CITY, ONCE A WEEK FOR SIX CONSECUTIVE WEEKS, WHICH LAST PUBLICATION SHALL BE AT LEAST TEN DAYS BEFORE THE DAY OF SUCH MEETING) *in a manner appropriate to inform the public*, which notice shall name the stream to be diverted, the point of diversion, the general course of the new channel and the height to which it is proposed to raise or maintain any lake, the location of proposed bridges, culverts, or tunnels, the estimated cost of construction, and contain a description of the lands designated by the city council to be taken for right of way and for flowage purposes, and give notice that a plan of the improvement has been filed in the office of the city clerk, and that the appraisers will meet at a place and time designated in the notice, and thence proceed to view the premises and appraise the damages for property to be taken, or which may be damaged by the diversion of water or otherwise by such improvement, and to assess benefits in the manner hereinafter specified. If any portion of such stream or of the lands to be taken is outside of the county containing such city, then the notice shall (BE PUBLISHED FOR A LIKE TIME IN SOME NEWSPAPER IN SUCH) *also be given in the outside county*.

Sec. 62. Minnesota Statutes 1982, section 465.38, is amended to read:

465.38 [NOTICE OF APPRAISEMENT; CONFIRMATION OR ANNULMENT.]

Upon such report being filed, the city clerk shall give notice that such appraisement has been returned and that the same will be considered by the city council at a meeting thereof to be named in the notice, which notice shall contain the schedule

of damages awarded and benefits assessed and be (PUBLISHED IN THE OFFICIAL NEWSPAPER OF THE CITY ONCE A WEEK FOR TWO CONSECUTIVE WEEKS, AND THE LAST PUBLICATION SHALL BE AT LEAST TEN DAYS BEFORE SUCH MEETING) *given in a manner appropriate to inform the public.* Any person interested in any building standing in whole or in part upon any land required to be taken by such improvement shall, on or before the time specified for the meeting in such notice, notify the city council in writing of his election to remove such building, if he so elect. The city council, upon the day fixed for the consideration of such report, or at any subsequent meeting to which the same may stand over or be referred, shall have power in their discretion to confirm, revise, or annul the appraisalment and assessment, giving due consideration to any objections interposed by parties interested in the manner hereinafter specified; provided that the city council shall not have the power to reduce the amount of any award nor increase any assessment. In case the appraisalment and assessment is annulled, the city council may thereupon appoint new appraisers, who shall proceed in like manner as in case of the first appraisalment, and upon the coming in of their report, the city council shall proceed in a like manner and with the same powers as in the case of the first appraisalment.

Sec. 63. [471.6965] [PUBLICATION OF SUMMARY BUDGET STATEMENT.]

*Annually, upon adoption of the city budget, the city council shall publish a summary budget statement in the official newspaper of the city, or if there is none, in a qualified newspaper of general circulation in the city. The statement shall contain information relating to anticipated revenues and expenditures, in a form prescribed by the state auditor. The form prescribed shall be designed so that comparisons can be made between the current year and the budget year. A note shall be included that the complete budget is available for public inspection at a designated location within the city.*

Sec. 64. Minnesota Statutes 1982, section 471.697, subdivision 1, is amended to read:

Subdivision 1. In any city with a population of more than 2,500 according to the latest federal census, the city clerk or chief financial officer shall:

(a) Prepare a financial report covering the city's operations including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions during the preceding fiscal year after the close of the fiscal year and publish the report or a summary of the report, in a form as prescribed by the state auditor, in a *qualified newspaper of general*

*circulation* in the city, or, if there (BE) is none, post copies in three of the most public places in the city, *no later than 30 days after the report is due in the office of the state auditor*. The report shall contain financial statements and disclosures which present the city's financial position and the results of city operations in conformity with generally accepted accounting principles. The report shall include such information and be in such form as may be prescribed by the state auditor;

(b) File the financial report in his office for public inspection and present it to the city council after the close of the fiscal year. One copy of the financial report shall be furnished to the state auditor after the close of the fiscal year; and

(c) Submit to the state auditor audited financial statements which have been attested to by a certified public accountant, public accountant, or the state auditor within 180 days after the close of the fiscal year, except that the state auditor may upon request of a city and a showing of inability to conform, extend the deadline. The state auditor may accept this report in lieu of the report required in clause (b) above.

A municipal hospital or nursing home established before June 6, 1979 whose fiscal year is not a calendar year on August 1, 1980 is not subject to this subdivision but shall submit to the state auditor a detailed statement of its financial affairs audited by a certified public accountant, a public accountant or the state auditor no later than 120 days after the close of its fiscal year. It may also submit a summary financial report for the calendar year.

Sec. 65. Minnesota Statutes 1982, section 471.698, subdivision 1, is amended to read:

Subdivision 1. In any city with a population of less than 2,500 according to the latest federal census, the city clerk or chief financial officer shall:

(a) Prepare a detailed statement of the financial affairs of the city including operations of municipal hospitals and nursing homes, liquor stores, and public utility commissions in the style and form prescribed by the state auditor, for the preceding fiscal year showing all money received, with the sources, and respective amounts thereof; all disbursements for which orders have been drawn upon the treasurer; the amount of outstanding and unpaid orders; all accounts payable; all indebtedness; contingent liabilities; all accounts receivable; the amount of money remaining in the treasury; and all items necessary to show accurately the revenues and expenditures and financial position of the city;

(b) File the statement in his office for the public inspection and present it to the city council within 45 days after the close of the fiscal year;

(c) (1) Publish the statement within (60) 90 days after the close of the fiscal year in a *qualified* newspaper (PUBLISHED) of *general circulation* in the city; or

(2) If there is no *qualified* newspaper of *general circulation* in the city, the clerk shall, at the direction of the city council, (PUBLISH THE STATEMENT IN THE OFFICIAL NEWSPAPER PUBLISHED ELSEWHERE OR) post copies in three of the most public places in the city; or

(3) If city council proceedings are published monthly or quarterly, showing to whom and for what purpose orders are drawn upon the treasurer, the annual statement to be published as required by this section may be summarized in such form as the state auditor may prescribe. *It is not necessary to publish individual disbursements of less than \$100, if disbursements aggregating \$1,000 or more to any person, firm, or other entity are set forth in a schedule of major disbursements showing amounts paid out, to whom, and for what purpose, and are made a part of and published with the financial statement; and*

(d) Submit within 90 days after the close of the fiscal year a copy of the statement to the state auditor in such summary form as the state auditor may prescribe.

A municipal hospital or nursing home established before June 6, 1979 whose fiscal year is not a calendar year on August 1, 1980 is not subject to this subdivision but shall submit to the state auditor a detailed statement of its financial affairs audited by a certified public accountant, a public accountant or the state auditor no later than 120 days after the close of its fiscal year. It may also submit a summary financial report for the calendar year.

Sec. 66. Minnesota Statutes 1982, section 471.6985, is amended to read:

471.6985 [FINANCIAL STATEMENT PUBLICATION;  
MUNICIPAL LIQUOR STORE.]

Any city operating a municipal liquor store shall publish a balance sheet using generally accepted accounting procedures and a statement of operations of the liquor store within 90 days after the close of the fiscal year in the official newspaper of the city. The statement shall be headlined, in a type size no smaller than 18 point: "Analysis of . . . . (city) . . . . municipal liquor store operations for . . . . (year) . . . ." and shall be written in clear and easily understandable language. It shall contain the following information: total sales, cost of sales, gross profit, profit as percent of sales, operating expenses, operating income, contributions to and from other funds, capital outlay, interest paid and debt retired. The form and style of the statement shall

be prescribed by the state auditor. Non-operating expenses may not be extracted on the reporting form prior to determination of net profits for reporting purposes only. Administrative expenses charged to the liquor store by the city must be actual operating expenses and not used for any other public purpose prior to the determination of net profits. The publication requirements of this section shall be in addition to any publication or posting requirements for financial reports contained in sections 471.697 and 471.698. *The statement may at the option of the city council be incorporated into the reports published pursuant to sections 471.697 and 471.698, in accordance with a form and style prescribed by the state auditor.*

Sec. 67. Minnesota Statutes 1982, section 472.04, subdivision 2, is amended to read:

Subd. 2. The governing body of a municipality shall consider such a resolution only after a public hearing thereon after notice (PUBLISHED IN A QUALIFIED NEWSPAPER AT LEAST ONCE,) *appropriate to inform the public given not less than 10 nor more than 30 days prior to the date of the hearing. Opportunity to be heard shall be granted to all residents of the municipality and its environs and to all other interested persons. The resolution shall be published in the same manner in which ordinances are published in the municipality.*

Sec. 68. Minnesota Statutes 1982, section 484.30, is amended to read:

484.30 [ADJOURNED AND SPECIAL TERMS.]

The judges of each district may adjourn court from time to time during any term thereof, and may appoint special terms for the trial of issues of law and fact, and, when necessary, direct petit juries to be drawn therefor. (THREE WEEKS' PUBLISHED NOTICE OF EVERY SPECIAL TERM SHALL BE GIVEN IN THE COUNTY WHEREIN IT IS TO BE HELD.) They may also appoint special terms for the hearing of all matters except issues of fact, the order for which shall be filed with the clerk, and a copy posted in his office for three weeks prior to the term.

Sec. 69. [REPEALER.]

*Minnesota Statutes 1982, sections 55.09; 331.01; 331.02; 331.03; 331.04; 331.05; 331.06; 331.07; 331.08; 331.10; 331.11; and 441.51, are repealed.*

Sec. 70. [EFFECTIVE DATE.]

*Sections 1 to 69 are effective January 1, 1985, except as they apply to independent school districts, with respect to which Sections 1 to 69 are effective July 1, 1985.'*

Delete the title and insert:

“A bill for an act relating to local government; providing procedures for the publication of legal notices; removing various requirements for publication of notices; amending Minnesota Statutes 1982, sections 3.21; 48.48, subdivision 1; 88.48, subdivision 2; 94.10, subdivision 1; 94.344, subdivision 7; 123.33, subdivision 11; 123.71, subdivision 1; 206.17, subdivision 2; 279.07; 279.08; 300.13, subdivision 4; 302A.727, subdivision 1; 306.023, subdivision 2; 306.111, subdivision 2; 306.16, subdivision 2; 306.21, subdivision 1; 307.06; 315.25; 326.18; 346.02; 370.04; 370.07; 371.04; 372.02; 372.08; 374.13; 374.34; 375.025, subdivision 4; 375.12; 375.17; 375.51, subdivision 3; 375.52; 383A.27, subdivision 2; 412.191, subdivisions 3 and 4; 414.09, subdivision 3; 415.021; 429.061, subdivision 2; 430.02, subdivisions 3, 7, 11, and 12; 430.04; 430.07, subdivision 5; 430.102, subdivision 3; 435.202, subdivision 2; 441.04; 462.427, subdivision 3; 465.32; 465.38; 471.697, subdivision 1; 471.698, subdivision 1; 471.6985; 472.04, subdivision 2; and 484.30; proposing new law coded in Minnesota Statutes, chapters 375 and 471; proposing new law coded as Minnesota Statutes, chapter 331A; repealing Minnesota Statutes 1982, sections 55.09; 331.01; 331.02; 331.03; 331.04; 331.05; 331.06; 331.07; 331.08; 331.10; 331.11; and 441.51.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Rice from the Committee on Appropriations to which was referred:

H. F. No. 1393, A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; modifying the foundation aid formula; granting certain powers and duties to school boards, school districts, the state board of education, the commissioner of education, the department of education, the state board of vocational-technical education, the state director of vocational-technical education, the higher education coordinating board, and others; providing for an equalized summer school aid and levy; increasing the community education aid and levy; modifying the vocational instructional aid payment formula; establishing a schools of excellence program; requiring an arts education study; expanding in-service and instructional effectiveness training programs; improving the planning, evaluation, and reporting process; establishing assessment programs; establishing a research and development grant program; appropriating money; amending Minnesota Statutes 1982, sections 121.903, by adding a subdivision; 121.935, subdivisions 2 and 6; 121.936, subdivision 1; 122.532, by adding a subdivision; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.19, by adding a subdivision; 124.20; 124.201, subdivision 1; 124.214, subdivi-



sion 1; 124.565, subdivision 7; 136A.02, subdivision 6; 275.125, by adding subdivisions; 465.721; 471.61, subdivisions 1 and 2a; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 9, and 10; 124.201, subdivisions 2, 4, and 5; 124.2122; 124.2126, subdivision 3; 124.2138; 124.271, subdivision 2b; 124.5615, subdivision 5; 124.5629; 124A.06, subdivision 1; 124A.12, subdivision 1; 124A.14, subdivision 1; 124A.16, subdivision 4; 125.032, subdivision 2; 129B.32, subdivision 3; 129B.36, by adding a subdivision; 136C.04, by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, and 11c; 298.28, subdivision 1; 466.06; 475.61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 7, section 45; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121, 123, 124, and 136C; repealing Minnesota Statutes 1982, sections 124.201, as amended; 124.32, subdivisions 1a, 1e, and 2a; 125.60, subdivision 2a; and 275.125, subdivision 2g; and Minnesota Statutes 1983 Supplement, sections 124.32, subdivision 5a; and 275.125, subdivisions 2i and 2j.

Reported the same back with the following amendments:

Page 37, line 32, after the period insert "*The state director shall continue to maintain by institution records of revenues and expenditures and student enrollment in the current categories of post-secondary and adult vocational education.*"

Page 85, line 32, after "*program*" insert a period

Page 85, line 32, delete "*and*" and insert "*The department may use*"

Page 85, line 33, before the period insert "*; \$50,000 of which shall be used for one new professional position and the remaining \$100,000 is available for three positions and associated expenses currently funded with federal block grant dollars. This \$100,000 shall not be released until the commissioner of education has verified to the commissioner of finance that federal funding for these positions is no longer available. In the event of a transfer from federal to state funding, the complement for the affected positions is also transferred from federal to state status*"

Page 86, line 1, delete "*staff*" and insert "*state*"

Page 86, line 1, after "*complement*" insert "*by two positions*"

Page 86, line 7, delete "*\$375,000*" and insert "*\$475,000*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1406, A bill for an act relating to cities; permitting cities to reimburse officers or employees for certain legal expenses; proposing new law coded in Minnesota Statutes, chapter 465.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [465.76] [LEGAL COUNSEL; REIMBURSEMENT.]

*If reimbursement is requested by the officer or employee, the governing body of a home rule charter or statutory city or county may, after consultation with its legal counsel, reimburse a city or county officer or employee for any costs and reasonable attorney's fees incurred by the person to defend charges of a criminal nature brought against the person that arose out of the reasonable and lawful performance of duties for the city or county, provided if less than a quorum of the governing body is disinterested, that such reimbursement shall be approved by a judge of the district court.”*

Delete the title and insert:

“A bill for an act relating to local government; permitting cities and counties to reimburse officers or employees for certain legal expenses; proposing new law coded in Minnesota Statutes, chapter 465.”

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. 1499, A bill for an act relating to public utilities; permitting the public utilities commission to order reimbursement payments to intervenors in telephone rate proceedings; amending Minnesota Statutes 1982, section 237.075, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 14, delete “*proceeding*” and insert “*general rate case*”

Page 1, after line 17, insert:

*"No entity which provides telephone services of any kind shall be eligible for reimbursement of out-of-pocket expenses under this subdivision."*

Page 1, line 19, delete "and" and insert a period

Page 1, delete line 20

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. 1559, A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 10; allowing public lands of the state to be exchanged for any other public land; amending Minnesota Statutes 1982, section 94.343, subdivision 1.

Reported the same back with the following amendments:

Page 2, after line 15, insert:

"Sec. 4. Minnesota Statutes 1982, section 94.349, subdivision 3, is amended to read:

Subd. 3. The classes of state land which may be involved in a transfer of title are the same as those which may be exchanged under land exchange laws and are subject to the same limitations as are applied to state lands under land exchange laws. (IN ADDITION, LAND SUBJECT TO THE PUBLIC SALE REQUIREMENTS OF MINNESOTA CONSTITUTION, ARTICLE XI, SECTION 8, SHALL BE CONDEMNED PRIOR TO ANY TITLE TRANSFER. THE CONDEMNATION AWARD MUST BE PAID AND THE TIME TO APPEAL FROM THE AWARD MUST HAVE EXPIRED PRIOR TO ANY TITLE TRANSFER UNDER THIS SECTION.)"

Page 2, line 17, delete "Section 3 is" and insert "Sections 3 and 4 are"

Renumber the section in sequence

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections"

Page 1, line 6, before the period insert “; and 94.349, subdivision 3”

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.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1578, A bill for an act relating to public welfare; extending the community work experience program; amending Minnesota Statutes 1983 Supplement, section 256.737.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 256.737, is amended to read:

256.737 [COMMUNITY WORK EXPERIENCE PROGRAM.]

In order that persons receiving aid under this chapter may be assisted in achieving self-sufficiency by enhancing their employability through meaningful work experience and training and the development of job search skills, the commissioner of public welfare may (ESTABLISH) *continue the pilot community work experience demonstration programs in operation as of January 1, 1984. No new pilot community work experience demonstration programs may be established.* The commissioner shall: (a) assist counties in the design, implementation, and evaluation of these demonstration programs; (b) promulgate, in accordance with chapter 14, temporary rules necessary for the implementation of this section, except that the time restrictions of section 14.35 shall not apply and the rules may be in effect until the termination of the demonstration programs; and (c) seek any federal waivers necessary for proper implementation of this section in accordance with federal law. The commissioner shall prohibit use of participants in the programs to do work that was part or all of the duties or responsibilities of an authorized public employee position established as of January 1, 1983. *The exclusive bargaining representative shall be notified no less than 14 days in advance of any placement by the community work experience program. Concurrence with respect to job duties of persons placed under the community work experience program shall be obtained from the appropriate exclusive bargaining representa-*

*tive. The appropriate oversight committee shall be given monthly lists of all job placements under a community work experience program.*

Projects shall end no later than June 30, (1984) 1985, and a preliminary report shall be made to the legislature by February 15, (1984) 1985, on the feasibility of permanent implementation and on the cost effectiveness of each of the demonstration programs.

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment."*

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. 1707, A bill for an act relating to gambling; creating a charitable gambling control board and prescribing its powers and duties; imposing a tax on the gross receipts of charitable gambling; making an annual appropriation; prescribing penalties; amending Minnesota Statutes 1982, sections 349.11; 349.12; 349.13; 349.14; 349.15; 349.16; 349.17; 349.18; 349.19; 349.20; 349.21; 349.22; and 349.31, subdivision 1; Minnesota Statutes 1983 Supplement, sections 340.14, subdivision 2; 609.75, subdivision 3; and 609.761; proposing new law coded in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1982, section 349.26.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 340.14, subdivision 2, is amended to read:

Subd. 2. [RESTRICTIONS.] Every licensee shall be responsible for the conduct of his place of business and for conditions of sobriety and order therein. No licensee shall keep, possess, or operate, or permit the keeping, possession, or operation of, on the licensed premises, or in any room adjoining the licensed premises, any slot machine, dice, or any gambling device or apparatus, nor permit any gambling therein, nor permit the licensed premises or any room in the same, or in any adjoining building, directly or indirectly under its control to be used as a resort for prostitutes or other disorderly persons, except that gambling devices may be kept or operated and raffles con-

ducted on licensed premises and adjoining rooms when such activities are licensed by the (LOCAL UNIT OF GOVERNMENT PURSUANT TO SECTION 349.26) *charitable gambling control board under sections 349.11 to 349.213*. No person under 18 years of age shall be employed in any rooms constituting the place in which intoxicating liquors are sold at retail "on-sale," except that persons under 18 years of age may be employed as musicians or to perform the duties of a busboy or dishwashing services in places defined as a restaurant or hotel or motel serving food in rooms in which intoxicating liquors are sold at retail "on-sale." Persons under 18 years of age may be employed as waiters or waitresses in places defined as a restaurant, hotel or motel to serve food in rooms in which only wine is sold on-sale, provided they shall not be permitted to serve or sell wine.

Sec. 2. Minnesota Statutes 1982, section 349.11, is amended to read:

349.11 [PURPOSE.]

The purpose of sections 349.11 to (349.23) *349.22* is to (CLOSELY) regulate (AND CONTROL THE CONDUCT OF THE GAME OF BINGO AND TO PROHIBIT COMMERCIALIZATION OF BINGO) *legal forms of gambling to prevent their commercialization, to insure integrity of operations, and to provide for the use of net profits only for lawful purposes.*

Sec. 3. Minnesota Statutes 1982, section 349.12, is amended to read:

349.12 [DEFINITIONS.]

Subdivision 1. As used in sections 349.11 to (349.23) *349.22* the following terms have the meanings given them.

Subd. 2. "*Lawful gambling*" is the operation, conduct or sale of bingo, raffles, paddlewheels, tipboards, and pull-tabs.

Subd. 3. "Active member" means a member who has paid all his dues to the organization and has been a member of the organization for at least six months.

Subd. (3) 4. "Bingo" means a game where each player has a card or board for which a consideration has been paid containing five horizontal rows of spaces, with each row except the central one containing five figures. The central row has four figures with the word "free" marked in the center space thereof. *Bingo also includes games which are as described in this subdivision except for the use of cards where the figures are not preprinted but are filled in by the players.* A player wins a game of bingo by completing (ANY) a preannounced combination of spaces or, in the absence of a preannouncement of a combination of spaces, any combination of five spaces in a row, either vertical, horizontal or diagonal.

Subd. (4) 5. "Bingo occasion" means a single gathering or session at which a series of one or more successive bingo games is played.

Subd. (5) 6. "Checker" means a person who records the number of bingo cards purchased and played during each game and records the prizes awarded to the recorded cards, but does not collect the payment for the cards.

Subd. 7. "Paddlewheel" means a wheel marked off into sections containing one or more numbers, and which, after being turned or spun, uses a pointer or marker to indicate winning chances.

Subd. 8. "Tipboard" means a board, placard or other device marked off in a grid or columns, in which each section contains a hidden number or numbers, or other symbol, which determines the winning chances.

Subd. 9. "Raffle" means a game in which a participant buys a ticket for a chance at a prize with the winner determined by a random drawing to take place at a location and date printed upon the ticket.

Subd. 10. "Pull-tab" means a single folded or banded ticket or a card with a face covered to conceal one or more numbers or symbols, where one or more of each set of tickets or cards has been designated in advance as a winner. "Pull-tab" also includes a ticket sold in a gambling device known as a ticket jar.

Subd. (6) 11. "Lawful purpose" means one or more of the following: (a) benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of and devotion to the principles upon which this nation was founded; (b) initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures; (c) lessening the burdens borne by government or voluntarily supporting, augmenting or supplementing services which government would normally render to the people; or (d) the improving, expanding, maintaining or repairing real property owned or leased by an organization.

"Lawful purpose" does not include the erection or acquisition of any real property, unless the (LOCAL UNIT OF GOVERNMENT) board specifically authorizes the expenditures after finding that the property will be used exclusively for one or more of the purposes specified in this clause.

(SUBD. 7. "LOCAL UNIT OF GOVERNMENT" MEANS THE CITY OR TOWN IN WHICH BINGO IS PROPOSED TO BE PLAYED OR IS PLAYED OR, IF THERE IS NO CITY OR TOWN, THE COUNTY IN WHICH BINGO IS PROPOSED TO BE PLAYED OR IS PLAYED.)

Subd. (8) 12. "Organization" means any fraternal, religious, veterans, or other nonprofit organization.

Subd. (9) 13. "Profit" means the gross receipts collected from (ONE OR MORE BINGO OCCASIONS) *lawful gambling*, less reasonable sums necessarily and actually expended for (BINGO) *gambling* supplies and equipment, prizes, rent, and utilities used during the (BINGO) *gambling* occasions, (BINGO LICENSE FEES) *compensation paid to members for conducting gambling*, taxes (RELATED TO BINGO, AND OTHER EXPENSES PERMITTED BY LAWS 1976, CHAPTER 261) *imposed by this chapter, and maintenance of devices used in lawful gambling*.

(SUBD. 10. "BINGO MANAGER" MEANS A MEMBER WHO HAS PAID ALL HIS DUES TO THE ORGANIZATION AND HAS BEEN A MEMBER OF THE ORGANIZATION FOR AT LEAST TWO YEARS AND HAS BEEN DESIGNATED BY AN ORGANIZATION TO SUPERVISE BINGO OCCASIONS CONDUCTED BY IT.)

Subd. 14. "*Gambling manager*" means a person who has paid all dues to an organization and has been a member of the organization for at least two years and has been designated by the organization to supervise lawful gambling conducted by it.

Subd. 15. "*Gambling equipment*" means: bingo cards and devices for selecting bingo numbers, pull-tabs, ticket jars, paddlewheels, and tipboards.

Subd. 16. "Board" is the charitable gambling control board.

Subd. 17. "*Distributor*" is a person who sells gambling equipment he manufactures or purchases for resale.

Sec. 4. Minnesota Statutes 1982, section 349.13, is amended to read:

349.13 [NOT GAMBLING IF ORGANIZATION CONDUCTS BINGO.]

(BINGO SHALL) *Lawful gambling is not (BE CONSTRUED AS) a lottery or (AS) gambling within the meaning of sections 609.75 to 609.76 if it is conducted (BY AN ORGANIZATION IN COMPLIANCE WITH LAWS 1976, CHAPTER 261) under this chapter.*



Sec. 5. Minnesota Statutes 1982, section 349.14, is amended to read:

**349.14 [ORGANIZATION MAY CONDUCT BINGO; LICENSE.]**

An organization may conduct (BINGO OCCASIONS) *lawful gambling* if it has been in existence for at least three years, has at least 15 active members, has a license to conduct (BINGO) *lawful gambling* from the (LOCAL UNIT OF GOVERNMENT) board and complies with (SECTIONS 349.15 TO 349.21) *this chapter*.

Sec. 6. Minnesota Statutes 1982, section 349.15, is amended to read:

**349.15 [USE OF PROFITS.]**

Profits from (A BINGO OCCASION SHALL) *lawful gambling* may be expended only for lawful purposes as authorized at a regular meeting of the *conducting* organization.

Sec. 7. [349.151] [CHARITABLE GAMBLING CONTROL BOARD.]

*Subdivision 1. [BOARD CREATED.] The charitable gambling control board is created with the powers and duties established by subdivision 4.*

*Subd. 2. [MEMBERSHIP.] The board consists of 13 members appointed as follows:*

- (1) two persons appointed by the speaker of the house of representatives;*
- (2) two persons appointed by the president of the senate;*
- (3) seven persons appointed by the governor, four of whom must reside outside of the seven-county metropolitan area;*
- (4) the commissioner of public safety or his designee; and*
- (5) the attorney general or his designee.*

*A member serving on the board by appointment must have been a resident of Minnesota for at least five years. Neither the speaker of the house nor the president of the senate may appoint as his appointees two persons who are members of the same political party, and of the appointees of the governor not more than two may belong to the same political party. A member appointed to the board may be removed at any time by the appointing au-*

*thority. Vacancies on the board are filled in the same manner as the original appointment. Appointments by the speaker of the house of representatives and the president of the senate are for two years and appointments by the governor are for three years. The governor shall appoint the chairperson from among his appointees.*

*Subd. 3. [COMPENSATION.] The compensation of board members is \$35 per day spent on commission activities, when authorized by the board, plus expenses in the same manner and amount as provided in the commissioner's plan adopted according to section 43A.18, subdivision 2.*

*Subd. 4. [POWERS AND DUTIES.] The board has the following powers and duties:*

*(1) to issue, revoke, and suspend licenses to organizations and suppliers under sections 349.16 and 349.161;*

*(2) to collect and deposit license fees and taxes due under this chapter;*

*(3) to receive reports required by this chapter and inspect the records, books, and other documents of organizations and suppliers to insure compliance with all applicable laws and rules;*

*(4) to make rules, including temporary rules, required by this chapter;*

*(5) to register gambling equipment and issue registration stamps under section 349.162;*

*(6) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling; and*

*(7) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing charitable gambling.*

*Subd. 5. [EMPLOYEES.] The board shall employ an executive secretary in the unclassified service and such other employees in the classified service as are required to enable it to carry out its functions. One or more of the employees must be bingo inspectors.*

*Subd. 6. [ATTORNEY GENERAL.] The attorney general is the attorney for the board. In addition the attorney general may prosecute any violation of sections 349.11 to 349.22 which is a felony or gross misdemeanor.*

Sec. 8. Minnesota Statutes 1982, section 349.16, is amended to read:

349.16 [(LOCAL REGULATION) ORGANIZATION LICENSES.]

Subdivision 1. [ISSUANCE OF GAMBLING LICENSES.] (NOTHING IN SECTIONS 349.11 TO 349.23 SHALL BE CONSTRUED TO PROHIBIT A LOCAL UNIT OF GOVERNMENT FROM ADOPTING ORDINANCES, RULES AND REGULATIONS CONCERNING THE CONDUCT OF BINGO WHICH ARE MORE RESTRICTIVE THAN STATE REGULATIONS, INCLUDING AN ORDINANCE TO BAN THE CONDUCT OF BINGO. PRIOR TO PROMULGATING BINGO REGULATIONS OR ISSUING A BINGO LICENSE, THE LOCAL UNIT OF GOVERNMENT SHALL CONSULT WITH THE LOCAL BUILDING INSPECTOR, IF ANY, AND THE FIRE AND POLICE AUTHORITIES. A LOCAL UNIT OF GOVERNMENT WHICH PERMITS BINGO BUT HAS NOT ADOPTED REGULATIONS SHALL BE DEEMED TO HAVE ADOPTED THE PROVISIONS OF LAWS 1976, CHAPTER 261 AS ITS REGULATIONS. A LOCAL UNIT OF GOVERNMENT MAY AMEND ITS REGULATIONS.)

(SUBD. 2. A LOCAL UNIT OF GOVERNMENT THAT PERMITS BINGO SHALL ESTABLISH A SYSTEM FOR LICENSING ORGANIZATIONS TO CONDUCT BINGO OCCASIONS, AND SHALL ACT ON A BINGO LICENSE APPLICATION WITHIN 180 DAYS FROM THE DATE OF APPLICATION, BUT SHALL NOT ISSUE A LICENSE UNTIL AT LEAST 30 DAYS AFTER THE DATE OF APPLICATION. A LICENSE SHALL BE VALID FOR ONE YEAR, AND MAY BE SUSPENDED OR REVOKED BY THE ISSUING AUTHORITY FOR VIOLATION OF LAWS 1976, CHAPTER 261 OR OF ANY LOCAL ORDINANCE RELATING TO BINGO.)

(SUBD. 3. EACH YEAR THE LOCAL UNIT OF GOVERNMENT SHALL ALLOCATE AN AMOUNT OF MONEY AT LEAST EQUAL TO THE LESSER OF \$25,000 OR 25 PERCENT OF THE AMOUNT IT COLLECTED AND RETAINED FROM BINGO FEES, BINGO LICENSES, AND BINGO TAXES IN THE PRECEDING YEAR FOR THE SUPERVISION, REGULATION AND INSPECTION OF THE CONDUCT OF BINGO) *Licenses authorizing organizations to conduct lawful gambling may be issued by the board to organizations meeting the qualifications of section 349.14, if the board determines that the license is consistent with the purpose of sections 349.11 to 349.22. Licenses issued under this section are valid for one year and may be suspended by the board for a violation of law or board rule or revoked for what the board determines to be a pattern of willful violations of law or board rule. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the Administrative Procedure Act.*

*Subd. 2. [APPLICATION.] All applications for a license under this section must be on a form prescribed by the board. The board may require the applying organization to submit a copy of its articles of incorporation and other documents it deems necessary.*

*Subd. 3. [FEES.] The board shall by rule establish a schedule of fees for licenses under this section. The schedule must establish three classes of license, authorizing all forms of lawful gambling, all forms except bingo and bingo only. The fees must be in an amount, together with income from fees under section 349.161, sufficient to generate annual income to offset the costs incurred by the board in fulfilling its responsibilities under sections 349.11 to 349.21.*

**Sec. 9. [349.161] [DISTRIBUTOR LICENSES.]**

*Subdivision 1. [PROHIBITED ACTS; LICENSES REQUIRED.] No person may:*

*(1) sell, offer for sale, or furnish gambling equipment for use within the state for gambling purposes, other than for bingo exempt from licensing under section 340.19, except to an organization licensed for lawful gambling; or*

*(2) sell, offer for sale, or furnish gambling equipment to an organization licensed for lawful gambling without having obtained a distributor license under this section.*

*No licensed organization may purchase gambling equipment from any person not licensed as a distributor under this section.*

*Subd. 2. [LICENSE APPLICATION.] The board may issue licenses for the sale of gambling equipment to persons who meet the qualifications of this section if the board determines that a license is consistent with the purpose of sections 349.11 to 349.22. Applications must be on a form the board prescribes.*

*Subd. 3. [QUALIFICATIONS.] A license may not be issued under this section to a person, or to a corporation, firm, or partnership which has as an officer, director, or other person in a supervisory or management position a person, who:*

*(1) has been convicted of a felony in a state or federal court within the past five years or who has a felony charge pending;*

*(2) has ever been convicted in a state or federal court of a gambling-related felony; or*

(3) is or has ever been engaged in an illegal business.

*Subd. 4. [FEES.] The annual fee for a suppliers license is \$1,500.*

*Subd. 5. [PROHIBITION.] No distributor may also be a wholesale distributor of liquor or alcoholic beverages.*

*Subd. 6. [REVOCATION AND SUSPENSION.] A license under this section may be suspended by the board for a violation of law or board rule or for failure to meet the qualifications in subdivision 3 at any time or revoked for what the board determines to be a pattern of willful violations of law or board rule. A revocation or suspension is a contested case under sections 14.57 to 14.69 of the Administrative Procedure Act.*

*Subd. 7. [CRIMINAL HISTORY.] The board may request the assistance of the bureau of criminal apprehension in investigating the background of an applicant for a supplier's license and may reimburse the bureau for the costs thereof. The board has access to all criminal history data compiled by the bureau on licensees and applicants.*

Sec. 10. [349.162] [EQUIPMENT REGISTERED.]

*Subdivision 1. [STAMP REQUIRED.] A distributor may not sell to an organization and an organization may not purchase from a distributor gambling equipment unless the equipment has been registered with the board and has a registration stamp affixed. The board may charge a fee of up to 25 cents for each stamp. Each stamp must bear a registration number assigned by the board.*

*Subd. 2. [RECORDS REQUIRED.] A distributor must maintain a record of all gambling equipment which it sells to organizations. The record must include:*

*(1) the identity of the person or firm from whom the equipment was purchased;*

*(2) the registration number of the equipment;*

*(3) the name and address of the organization to which the sale was made; and*

*(4) the date of the sale.*

*The record for each sale must be retained for at least three years after the sale is completed. For purposes of this section, a sale is completed when the gambling equipment is physically delivered to the purchaser.*

*Each distributor must report monthly to the board, on a form the board prescribes, its sales of each type of gambling equipment. Employees of the board may inspect the books, records, and other documents of a distributor at any reasonable time without notice and without a search warrant.*

*Subd. 3. [SALES FROM FACILITIES.] All gambling equipment purchased by a licensed distributor for resale in Minnesota must prior to its resale be unloaded into a facility located in Minnesota which the distributor owns or leases.*

Sec. 11. Minnesota Statutes 1982, section 349.17, is amended to read:

349.17 [CONDUCT OF BINGO.]

Subdivision 1. [BINGO OCCASIONS.] (NO COMPENSATION SHALL BE PAID TO ANY PERSON IN CONNECTION WITH A BINGO OCCASION EXCEPT AN ACTIVE MEMBER OF THE ORGANIZATION, OR ITS AUXILIARY, OR THE SPOUSE OR SURVIVING SPOUSE OF AN ACTIVE MEMBER, CONDUCTING THE BINGO OCCASION NOR SHALL ANY PERSON NOT AN ACTIVE MEMBER OF THE ORGANIZATION OR ITS AUXILIARY OR THE SPOUSE OR SURVIVING SPOUSE OF AN ACTIVE MEMBER PARTICIPATE IN THE CONDUCT OF A BINGO OCCASION, EXCEPT BY RESOLUTION OF A MAJORITY OF THE MEMBERSHIP, RECORDED IN THE OFFICIAL MINUTES OF THE ORGANIZATION, NON-MANAGEMENT ASSISTANTS WHO ARE NOT ACTIVE MEMBERS OF THE ORGANIZATION, OR ITS AUXILIARY, OR THE SPOUSE OR SURVIVING SPOUSE OF AN ACTIVE MEMBER, MAY BE HIRED TO ASSIST MEMBERS IN CONDUCTING A BINGO OCCASION. COMPENSATION SHALL NOT EXCEED \$20 FOR A BINGO OCCASION.)

(SUBD. 2. NO) *Not more than 104 bingo occasions each year or two bingo occasions each week (SHALL) may be conducted by (ANY) an organization (. EXCEPT THAT THE LOCAL UNIT OF GOVERNMENT ISSUING THE LICENSE MAY PERMIT ADDITIONAL BINGO OCCASIONS TO BE CONDUCTED BY AN ORGANIZATION), except as provided in this subdivision. A bingo occasion (SHALL) may not continue for more than four consecutive hours.*

*The board may permit an organization to conduct more than two bingo occasions in a week and more than 104 bingo occasions in a year if the board determines that the additional occasions are consistent with the purpose of sections 349.11 to 349.22 and if the following procedures are followed:*

(1) *the organization applies for the additional occasions, stating the number of additional occasions applied for;*

(2) *the board notifies the governing body of the county or home rule or statutory city in which the applicant is located; and*

(3) *the governing body fails to adopt a resolution disapproving the additional occasions within 30 days of the notification.*

Subd. (3) 2. [BINGO ON LEASED PREMISES.] ((1) ANY) A person or corporation, other than an organization, which leases any premises that it owns to two or more organizations for purposes including the conduct of bingo occasions, (SHALL) *may not allow more than four bingo occasions to be conducted on the premises in any week. The board may waive this restriction and permit a person or corporation to allow a specified member of bingo occasions on the premises in excess of four per week if it finds that the waiver is consistent with the purpose of sections 349.11 to 349.22 and if the following procedures are followed:*

(1) *the person or corporation applies for the waiver, stating the number of additional occasions sought per week;*

(2) *the board notifies the governing body of the county or home rule or statutory city in which the premises are located; and*

(3) *the governing body fails to adopt a resolution disapproving the waiver within 30 days of the notification.*

((2) ANY ORGANIZATION WHICH LEASES ANY PREMISES TO ONE OR MORE OTHER ORGANIZATIONS FOR PURPOSES INCLUDING THE CONDUCT OF BINGO OCCASIONS SHALL USE THE PROCEEDS OF THE RENTAL, LESS REASONABLE SUMS FOR MAINTENANCE, FURNISHINGS AND OTHER NECESSARY EXPENSES, ONLY FOR LAWFUL PURPOSES AS DEFINED IN SECTION 349.12. NOT LESS THAN ONCE EACH YEAR THE ORGANIZATION SHALL REPORT TO THE LICENSING AUTHORITY THE DISPOSITION OF ALL RECEIPTS WHICH IT HAS RECEIVED DURING THE REPORTING PERIOD FROM THE RENTAL OF ITS FACILITIES TO OTHER ORGANIZATIONS FOR PURPOSES INCLUDING THE CONDUCT OF BINGO OCCASIONS.)

((3) NO ORGANIZATION SHALL CONDUCT BINGO ON ANY LEASED PREMISES WITHOUT A WRITTEN LEASE FOR A TERM AT LEAST EQUAL TO THE REMAINDER OF THE TERM OF THE BINGO LICENSE OF THE ORGANIZATION. LEASE PAYMENTS SHALL BE AT A FIXED MONTHLY RATE, OR RATE PER BINGO OCCA-

SION, NOT SUBJECT TO CHANGE DURING THE TERM OF THE LEASE. NO SUCH LEASE SHALL PROVIDE THAT RENTAL PAYMENTS BE BASED ON A PERCENTAGE OF RECEIPTS OR PROFITS FROM BINGO OCCASIONS.)

(SUBD. 4. PRIZES FOR A SINGLE BINGO GAME SHALL NOT EXCEED \$100 EXCEPT PRIZES FOR A GAME OF THE TYPE COMMONLY KNOWN AS A "COVER-ALL" GAME. "COVER-ALL" PRIZES MAY EXCEED \$100 PROVIDED THAT THE AGGREGATE VALUE OF SUCH PRIZES FOR A BINGO OCCASION SHALL NOT EXCEED \$500. THE AGGREGATE VALUE OF PRIZES FOR A BINGO OCCASION SHALL NOT EXCEED \$2,500 EXCEPT THAT IN THE CASE OF A BINGO OCCASION DURING WHICH A "COVER-ALL" GAME IS PLAYED FOR A MAXIMUM PRIZE OF MORE THAN \$100 BUT NOT MORE THAN \$500, THE AGGREGATE VALUE OF PRIZES FOR THE BINGO OCCASION SHALL NOT EXCEED \$3,000. MERCHANDISE PRIZES SHALL BE VALUED AT FAIR MARKET RETAIL VALUE.)

(SUBD. 5. NO EXPENSE SHALL BE INCURRED OR AMOUNTS PAID IN CONNECTION WITH THE CONDUCT OF BINGO, EXCEPT THOSE REASONABLY EXPENDED FOR BINGO SUPPLIES AND EQUIPMENT, PRIZES, RENT, OR UTILITIES USED DURING THE BINGO OCCASION, BINGO LICENSE FEES, TAXES RELATED TO BINGO, AND COMPENSATION TO ACTIVE MEMBERS WHO CONDUCT THE GAME.)

Subd. (6) 3. Each bingo winner (SHALL) *must* be determined and every prize shall be awarded and delivered the same day on which the bingo occasion is conducted.

(SUBD. 7. ALL BINGO OCCASIONS SHALL BE UNDER THE SUPERVISION OF A BINGO MANAGER DESIGNATED BY THE ORGANIZATION WHO SHALL BE RESPONSIBLE FOR GROSS RECEIPTS AND PROFITS FROM BINGO AND FOR THE CONDUCT OF THE BINGO OCCASION IN COMPLIANCE WITH ALL APPLICABLE LAWS AND ORDINANCES. THE BINGO MANAGER SHALL GIVE A FIDELITY BOND IN THE SUM OF \$10,000 IN FAVOR OF THE ORGANIZATION CONDITIONED ON THE FAITHFUL PERFORMANCE OF HIS DUTIES. TERMS OF THE BOND SHALL PROVIDE THAT NOTICE SHALL BE GIVEN IN WRITING TO THE LICENSING AUTHORITY NOT LESS THAN 30 DAYS PRIOR TO ITS CANCELLATION. THE GOVERNING BODY OF A LOCAL UNIT OF GOVERNMENT MAY WAIVE THIS BOND REQUIREMENT BY INCLUDING A WAIVER PROVISION IN THE BINGO LICENSE ISSUED TO AN ORGANIZATION, PROVIDED THAT A LICENSE CONTAINING SUCH A PROVISION SHALL BE GRANTED ONLY BY UNANIMOUS VOTE.)



(SUBD. 8. NO PERSON SHALL ACT AS A BINGO MANAGER FOR MORE THAN ONE ORGANIZATION.)

*Subd. 4. [CHECKERS.] One or more checkers must be engaged for each bingo occasion. The checker or checkers must record, on a form the board provides, the number of cards played in each game and the prizes awarded to recorded cards. The form must provide for the inclusion of the registration number of each card and must include a checker's certification that the figures recorded are correct to the best of the checker's knowledge.*

Sec. 12. Minnesota Statutes 1982, section 349.18, is amended to read:

349.18 [(RECORDS; PLAYERS, CARDS AND PRIZES) PREMISES USED FOR GAMBLING.]

(ONE OR MORE CHECKERS SHALL BE ENGAGED FOR EACH BINGO OCCASION. THE CHECKER OR CHECKERS SHALL RECORD THE NUMBER OF CARDS PLAYED IN EACH GAME PRIOR TO THE COMPLETION OF EACH GAME AND RECORD THE PRIZES AWARDED TO THE RECORDED CARDS. EACH CHECKER SHALL CERTIFY ALL FIGURES WHICH HE HAS RECORDED AS ACCURATE AND CORRECT TO THE BEST OF HIS KNOWLEDGE. A LOCAL UNIT OF GOVERNMENT MAY REQUIRE THE RECORDS TO BE ON FORMS WHICH IT PROVIDES.)

*Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] An organization may conduct lawful gambling only on premises it owns or leases. Leases must be for a period of at least one year and must be in writing. Copies of all leases must be made available to employees of the board on request. A lease may not provide for rental payments based on a percentage of receipts or profits from lawful gambling.*

*Subd. 2. [EXCEPTIONS.] (a) A licensed organization may conduct raffles on a premise it does not own or lease.*

*(b) A licensed organization may with the permission of the board, conduct bingo on premises it does not own or lease for up to six days in a calendar year, in connection with a county fair or civil celebration.*

*Subd. 3. [PROCEEDS FROM RENTAL.] A licensed organization which leases premises it owns to one or more other licensed organizations for purposes including the conduct of lawful gambling may expend the rental proceeds, less reasonable deductions for maintenance, furnishings, and utilities, only for lawful purposes. The rental proceeds must be recorded and reported as proceeds from gambling under section 349.19.*

Sec. 13. Minnesota Statutes 1982, section 349.19, is amended to read:

349.19 [ (EXEMPTION) *RECORDS AND REPORTS.*]

(BINGO MAY BE CONDUCTED WITHOUT COMPLYING WITH THE REQUIREMENTS OF SECTIONS 349.14 AND 349.17, SUBDIVISIONS 2 AND 3, IF CONDUCTED: (A) IN CONNECTION WITH A COUNTY FAIR CONDUCTED BY A COUNTY AGRICULTURAL SOCIETY OR ASSOCIATION, THE STATE FAIR CONDUCTED BY THE STATE AGRICULTURAL SOCIETY OR A CIVIC CELEBRATION RECOGNIZED BY RESOLUTION OR OTHER SIMILAR OFFICIAL ACTION OF THE LOCAL GOVERNING BODY PROVIDED THAT THE BINGO IS CONDUCTED FOR NO MORE THAN 12 CONSECUTIVE DAYS IN ANY ONE CALENDAR YEAR; OR, (B) BY AN ORGANIZATION THAT CONDUCTS LESS THAN FIVE BINGO OCCASIONS IN ANY CALENDAR YEAR.)

*Subdivision 1. [REQUIRED RECORD OF RECEIPTS.] A licensed organization must keep a record of each occasion on which it conducts gambling, including each bingo occasion and each day on which other forms of lawful gambling are conducted. The record must include gross receipts, quantities of free plays if any, expenses, and profits. The board may by rule provide for the methods by which expenses are documented. In the case of bingo, gross receipts must be compared to the checkers' records for the occasion by a person who did not sell cards for the occasion. Separate records must be kept for bingo and all other forms of lawful gambling.*

*Subd. 2. [ACCOUNTS.] Gross receipts from lawful gambling must be segregated from all other revenues of the conducting organization and placed in a separate account. The person who accounts for gambling gross receipts and profits may not be the same person who accounts for other revenues of the organization.*

*Subd. 3. [EXPENDITURES.] All expenditures of bingo profits must be itemized as to payee, purpose, amount, and date of payment.*

*Subd. 4. [DISCREPANCIES.] If at a bingo occasion a discrepancy of more than \$20 is found between the gross receipts as reported by the checkers and the gross receipts determined by adding the cash receipts, the discrepancy must be reported to the board within five days of the bingo occasion.*

*Subd. 5. [REPORTS.] A licensed organization must report to the board and to its membership monthly on its gross receipts,*

*expenses, profits, and expenditure of profits from lawful gambling. If the organization conducts both bingo and other forms of lawful gambling, the figures for both must be reported separately. In addition, a licensed organization must report to the board monthly on its purchases of gambling equipment and must include the type, quantity, and dollar amount from each supplier separately. The reports must be on a form the board prescribes.*

*Subd. 6. [PRESERVATION OF RECORDS.] Records required to be kept by this section must be preserved for at least three years and may be inspected by employees of the board at any reasonable time without notice or a search warrant.*

*Subd. 7. [TAX RECORDS.] The board may by rule require each licensed organization to provide copies of forms it files with the United States department of the treasury which are required for organizations exempt from income tax.*

Sec. 14. Minnesota Statutes 1982, section 349.20, is amended to read:

**349.20 [(RECORDS; RECEIPTS AND PROFITS) MANAGERS.]**

**(EACH ORGANIZATION SHALL KEEP RECORDS OF ITS GROSS RECEIPTS AND PROFITS FOR EACH BINGO OCCASION. GROSS RECEIPTS SHALL BE COMPARED TO THE CHECKER'S RECORDS FOR THE BINGO OCCASION BY A PERSON WHO DID NOT SELL CARDS FOR THE BINGO OCCASION. ALL DEDUCTIONS FROM GROSS RECEIPTS FROM A BINGO OCCASION SHALL BE DOCUMENTED WITH RECEIPTS OR OTHER RECORDS. THE DISTRIBUTION OF PROFITS SHALL BE ITEMIZED AS TO PAYEE, AMOUNT AND DATE OF PAYMENT.)**

**(BINGO GROSS RECEIPTS SHALL BE SEGREGATED FROM OTHER REVENUES OF AN ORGANIZATION AND PLACED IN A SEPARATE ACCOUNT. EACH ORGANIZATION SHALL MAINTAIN SEPARATE RECORDS OF ITS BINGO OPERATIONS. THE PERSON WHO ACCOUNTS FOR BINGO GROSS RECEIPTS AND PROFITS SHALL NOT BE THE SAME PERSON WHO ACCOUNTS FOR OTHER REVENUES OF THE ORGANIZATION. RECORDS REQUIRED BY LAWS 1976, CHAPTER 261 SHALL BE PRESERVED FOR THREE YEARS. THE LAW ENFORCEMENT AGENCY OF THE LICENSING AUTHORITY SHALL HAVE THE AUTHORITY TO INVESTIGATE THE BINGO RECORDS OF AN ORGANIZATION AT ANY REASONABLE TIME. ORGANIZATIONS SHALL MAKE AVAILABLE THEIR BINGO RECORDS FOR INVESTIGATION UPON PROPER NOTICE.)**

*All lawful gambling conducted by a licensed organization must be under the supervision of one or more gambling managers. A gambling manager designated by an organization to supervise a gambling occasion is responsible for the gross receipts from the occasion and for its conduct in compliance with all laws and rules. An organization may designate a different person to act as manager for each type of lawful gambling conducted. Each person designated as a gambling manager must give a fidelity bond in the sum of \$10,000 in favor of the organization conditioned on the faithful performance of the managers duties, and the terms of the bond must provide that notice be given to the board in writing not less than 30 days before its cancellation.*

*A person may not act as a gambling manager for more than one organization.*

Sec. 15. Minnesota Statutes 1982, section 349.21, is amended to read:

349.21 [(REPORTS; DISCREPANCIES, REPORTING AGENCIES) COMPENSATION.]

(SUBDIVISION 1. IF ANY DISCREPANCY IS FOUND BETWEEN THE AMOUNT OF GROSS RECEIPTS FOR A BINGO OCCASION AS DETERMINED BY THE CHECKER'S RECORDS AND THE AMOUNT OF GROSS RECEIPTS AS DETERMINED BY TOTALING THE CASH RECEIPTS AND THE DISCREPANCY EXCEEDS \$20, THE DISCREPANCY SHALL BE REPORTED TO AND INVESTIGATED BY THE LICENSING AUTHORITY OF THE PLACE WHERE THE BINGO OCCASION WAS HELD.)

(SUBD. 2. AN ORGANIZATION SHALL REPORT MONTHLY TO ITS MEMBERSHIP ITS GROSS RECEIPTS FROM BINGO, ITS PROFITS FROM BINGO AND THE DISTRIBUTION OF THOSE PROFITS ITEMIZED AS REQUIRED BY SECTION 349.20.)

(SUBD. 3. AT LEAST 30 DAYS PRIOR TO CONDUCTING ITS FIRST BINGO OCCASION OF THE YEAR AND ON AN ANNUAL BASIS THEREAFTER, AN ORGANIZATION SHALL FILE WITH THE LOCAL GOVERNMENT UNIT WHICH REGULATES ITS CONDUCT COPIES OF THE FOLLOWING:)

((A) DEPARTMENT OF THE TREASURY, INTERNAL REVENUE SERVICE, "RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX," FORM 990, OR A COMPARABLE FORM IF THE ORGANIZATION IS REQUIRED TO FILE THE FORM WITH THE DEPARTMENT OF THE TREASURY;)

((B) DEPARTMENT OF THE TREASURY, INTERNAL REVENUE SERVICE, "EXEMPT ORGANIZATION BUSINESS INCOME TAX," FORM 990-T, OR A COMPARABLE FORM IF THE ORGANIZATION IS REQUIRED TO FILE THE FORM WITH THE DEPARTMENT OF THE TREASURY;)

((C) A "STATEMENT OF BINGO OPERATIONS" IN THE FORM PRESCRIBED BY THE LOCAL GOVERNMENTAL UNIT. ALL INFORMATION CONTAINED IN THE STATEMENT SHALL BE TRUE, CORRECT, AND COMPLETE TO THE BEST OF THE KNOWLEDGE OF THE PERSON OR PERSONS SIGNING THE STATEMENT. ANY PERSON WHO SHALL KNOWINGLY MAKE A FALSE STATEMENT OR KNOWINGLY CONCEAL A MATERIAL FACT IN THE STATEMENT SHALL BE SUBJECT TO THE PENALTIES PROVIDED IN SECTION 349.22;)

((D) ANY LEASE AGREEMENTS REQUIRED BY LAWS 1976, CHAPTER 261, EXECUTED BY THE ORGANIZATION IN REGARD TO PREMISES LEASED FOR THE CONDUCT OF BINGO)

*Compensation to persons who participate in the conduct of lawful gambling may be paid only to active members of the conducting organization or its auxiliary, or the spouse or surviving spouse of an active member, except that nonmanagement assistants who are not active members or spouses may be hired to assist in the conduct of lawful gambling in nonmanagement positions if approved by a majority of the organization's members.*

*The amounts of compensation which may be paid under this section must be provided for in a schedule of compensation adopted by the board by rule. In adopting the schedule the board must consider the nature of the participation and the types of lawful gambling participated in.*

*A licensed organization may pay a percentage of the gross receipts from raffle ticket sales to a nonprofit organization which sells tickets for the licensed organization.*

#### Sec. 16. [349.211] [PRIZE LIMITS.]

*Subdivision 1. [BINGO.] Prizes for a single bingo game may not exceed \$100 except prizes for a cover-all game, which may exceed \$100 if the aggregate value of all cover-all prizes in a bingo occasion does not exceed \$500. Total prizes awarded at a bingo occasion may not exceed \$2,500, unless a cover-all game is played in which case the limit is \$3,000. For purposes of this subdivision, a cover-all game is one in which a player must cover all spaces except a single free space to win.*

*Subd. 2. [BINGO CUMULATIVE PRIZES.] A prize of up to \$1,000 may be awarded for a single bingo game if the prize is an accumulation of prizes not won in games in previous bingo occasions. The total amount awarded in cumulative prizes in any calendar year may not exceed \$12,000. For bingo occasions in which a cumulative prize is awarded the aggregate value of prizes which may be awarded for the occasion is increased by the amount of the cumulative prize so awarded less \$100.*

*Subd. 3. [OTHER GAMBLING.] The board by rule shall establish a schedule of prize limits for all other forms of gambling consistent with the purposes set out in section 349.11. The schedule may include daily and annual prize limits and prize limits for each game, raffle or operation of a gambling device.*

*Subd. 4. [PRIZE VALUE.] Merchandise prizes must be valued at their fair market value. For purposes of sections 349.11 to 349.22 "prizes" do not include free plays awarded.*

**Sec. 17. [349.212] [TAX IMPOSED.]**

*Subdivision 1. [RATE.] There is hereby imposed a tax on all lawful gambling conducted by licensed organizations at the rate specified in this subdivision. The tax imposed by this section is in lieu of the tax imposed by section 297A.02 and of all local taxes and license fees.*

*On all lawful gambling the tax is ten percent of the gross receipts of a licensed organization from lawful gambling less prizes actually paid out, payable by the organization.*

*Subd. 2. [COLLECTION; DISPOSITION.] The tax must be paid to the board at times and in a manner the board prescribes by rule. The proceeds must be paid to the state treasurer for deposit in the general fund.*

*Subd. 3. [ANNUAL APPROPRIATION.] At the end of each fiscal year, the commissioner of finance shall certify to the state treasurer the total revenues collected by the board from taxes and fees imposed by this act minus the amount appropriated by law from the general fund to the board for its expenses and operations. The net revenue so certified may be expended by legislative appropriation only to the state arts board for expenditure only as grants for the construction, maintenance, and operation of one or more schools for the arts located within the state.*

**Sec. 18. [349.213] [LOCAL AUTHORITY.]**

*Subdivision 1. [LOCAL REGULATION.] A statutory or home rule city or county has the authority to adopt more strin-*

*gent regulation of any form of lawful gambling within its jurisdiction, including the prohibition of any form of lawful gambling.*

*Subd. 2. [LOCAL APPROVAL.] Before issuing or renewing an organization license, the board must notify the city council of the statutory or home rule city in which the organization's premises are located or, if the premises are located outside a city, by the county board of the county where the premises are located. If the city council or county board adopts a resolution disapproving the license and so informs the board within 30 days of receiving notice of the license, the license may not be issued or renewed.*

**Sec. 19. [349.214] [EXEMPTIONS.]**

*Subdivision 1. [BINGO.] Bingo may be conducted without a license and without complying with sections 349.17, subdivision 1, and 349.18 if it is conducted:*

*(1) in connection with a county fair, the state fair, or a civic celebration if it is not conducted for more than 12 consecutive days in a calendar year; or*

*(2) by an organization which conducts four or fewer bingo occasions in a calendar year.*

*Subd. 2. [RAFFLES.] Raffles may be conducted by an organization as defined in section 349.12, subdivision 13, without complying with sections 349.11 to 349.213 if the value of all raffle prizes awarded by the organization in a calendar year does not exceed \$750. Merchandise prizes must be valued at their fair market value.*

*Subd. 3. [RAFFLES, CERTAIN ORGANIZATIONS.] The provisions of sections 349.21 and 349.211, subdivision 3, and the membership requirements of sections 349.14 and 349.20 do not apply to raffles conducted by 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 under section 501(c)(3) of the Internal Revenue Code of 1954, as amended through December 31, 1983, if the prizes awarded in the raffles are real or personal property donated by an individual, firm, or other organization. The person who accounts for the gross receipts, expenses, and profits of the raffles may be the same person who accounts for other funds of the organization.*

**Sec. 20.** Minnesota Statutes 1982, section 349.22, is amended to read:

**349.22. [PENALTY.]**

(VIOLATION OF ANY PROVISION OF LAWS 1976, CHAPTER 261 IS A GROSS MISDEMEANOR.)

*Subdivision 1. [FELONY.] A sale of gambling equipment by a person not licensed for such sale, and a sale of gambling equipment which is not registered under section 349.162, in violation of sections 349.11 to 349.214 in violation of this act is a felony.*

*Subd. 2. [GROSS MISDEMEANOR.] Any other violation of sections 349.11 to 349.214 is a gross misdemeanor.*

*Subd. 3. [OTHER ACTION.] This section (SHALL) does not preclude civil or criminal actions under other applicable law or preclude any agency of government from investigating or prosecuting violations of the provisions of (LAWS 1976, CHAPTER 261) sections 349.11 to 349.214.*

Sec. 21. Minnesota Statutes 1982, section 349.31, subdivision 1, is amended to read:

Subdivision 1. [INTENTIONAL POSSESSION; WILFUL KEEPING.] The intentional possession or wilful keeping of a gambling device (UPON ANY) on a licensed premises is cause for the revocation of any license under which the licensed business is carried on upon the premises where the gambling device is found, provided that possession of gambling (DEVICES COMMONLY KNOWN AS "PADDLEWHEELS" OR "TIP-BOARDS" OR "PULL-TABS" (OR "TICKET JARS") OR APARATUS USED IN CONDUCTING RAFFLES ON THE PREMISES OF A NONPROFIT ORGANIZATION AND OPERATED BY ORGANIZATIONS LICENSED FOR SUCH OPERATION PURSUANT TO SECTION 349.26) equipment as defined in section 349.12, subdivision 17, which is used for gambling licensed by the charitable gambling control board and the manufacture of gambling devices for use in jurisdictions where use of the gambling device is legal as provided for by section 349.40 shall not be cause for revocation of a license.

Sec. 22. Minnesota Statutes 1983 Supplement, section 609.75, subdivision 3, is amended to read:

Subd. 3. [WHAT ARE NOT BETS.] The following are not bets:

(1) A contract to insure, indemnify, guarantee or otherwise compensate another for a harm or loss sustained, even though the loss depends upon chance.

(2) A contract for the purchase or sale at a future date of securities or other commodities.



(3) Offers of purses, prizes or premiums to the actual contestants in any bona fide contest for the determination of skill, speed, strength, endurance, or quality or to the bona fide owners of animals or other property entered in such a contest.

(4) The game of bingo when conducted in compliance with sections 349.11 to 349.23.

(5) A private social bet not part of or incidental to organized, commercialized, or systematic gambling.

(6) The operation of (A GAMBLING DEVICE) *equipment* or the conduct of a raffle (AS DEFINED IN SECTION 349.26) *under sections 349.11 to 349.22*, by an organization licensed (FOR SUCH OPERATION BY A LOCAL UNIT OF GOVERNMENT PURSUANT TO SECTION 349.26) *by the charitable gambling control board*.

(7) Pari-mutuel betting on horse racing when the betting is conducted under chapter 240.

Sec. 23. Minnesota Statutes 1983 Supplement, section 609.761, is amended to read:

609.761 [OPERATIONS PERMITTED.]

Notwithstanding sections 609.755 and 609.76, (A FRATERNAL, RELIGIOUS, VETERANS OR OTHER NONPROFIT) *an organization may (SET UP OR OPERATE A GAMBLING DEVICE OR CONDUCT A RAFFLE) conduct lawful gambling* as defined in section (349.26) *349.12*, if licensed by the (LOCAL UNIT OF GOVERNMENT) *charitable gambling control board* and conducted under (SECTION 349.26) *sections 349.11 to 349.22*, and a person may manufacture, sell or offer for sale a gambling device to the organization, and pari-mutuel betting on horse racing may be conducted under chapter 240.

Sec. 24. [APPROPRIATION.]

*There is appropriated from the general fund to the charitable gambling control board for the period beginning the day following final enactment of this act and ending June 30, 1985, the sum of \$....., or so much thereof as is necessary to carry out the purposes of this act.*

Sec. 25. [REPEALER.]

*Minnesota Statutes 1982, section 349.26, is repealed.*

Sec. 26. [EFFECTIVE DATE.]

*Sections 7 and 24 are effective the day following final enactment. All other sections of this act are effective March 1, 1985. All licenses issued by local units of government under Minnesota Statutes 1982, sections 349.16 and 349.26 expire on February 28, 1985."*

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1764, A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

Reported the same back with the following amendments:

Page 1, delete lines 17 and 18 and insert:

*"The regents of the University of Minnesota are requested to compile and submit to the legislative commission on employee relations by April 1, 1985, a list showing those female-dominated classes for which a compensation inequity exists based on comparability of the value of the work, an estimate of the cost to provide comparability adjustments, and the steps taken to achieve pay equity."*

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1835, A bill for an act relating to transportation; allowing prepayment of state contractual obligations to governmental subdivisions under agreements for the construction, improvement or maintenance of trunk highways; amending Minnesota Statutes 1982, section 16A.41, subdivision 1, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1886, A bill for an act relating to the dissemination and collection of data; welfare data; providing for the release of information in emergencies; classifying investigative data not on individuals; classifying certain licensing data; establishing procedures for the handling of medical data; amending Minnesota Statutes 1982, section 13.46, subdivisions 3, 4, 5, and 6; and Minnesota Statutes 1983 Supplement, section 13.46, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 25, after "acting" insert "*for a state agency, political subdivision or statewide system*"

Page 3, line 30, after "(5)" delete "2" and insert "3"

Page 4, line 3, delete "*nonpublic*" and insert "*not public*"

Page 4, line 8, strike "1" and insert "2"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1892, A bill for an act relating to hospitals; giving various public hospital authorities the powers of nonprofit corporations; proposing new law coded in Minnesota Statutes, chapter 317.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [144.581] [HOSPITAL AUTHORITIES.]

*Subdivision 1. A municipality, political subdivision, state agency, or other governmental entity that owns or operates a hospital authorized, organized, or operated under chapters 158, 250, 376, and 397; or under sections 383A.41, 412.221, 447.05 to 447.13, 447.31, or 471.59, or under any special law authorizing or establishing a hospital or hospital district shall, relative to the delivery of health care services, have, in addi-*

tion to any authority vested by law, the authority and legal capacity of a nonprofit corporation under Minnesota Statutes, chapter 317, including authority to

- (a) enter shared service and other cooperative ventures,
- (b) join or sponsor membership in organizations intended to benefit the hospital or hospitals in general,
- (c) enter partnerships,
- (d) incorporate other corporations,
- (e) have members of its governing authority or its officers or administrators serve as directors, officers, or employees of the ventures, associations, or corporations,
- (f) own shares of stock in business corporations, and
- (g) offer, directly or indirectly, products and services of the hospital, organization, association, partnership, or corporation to the general public.

*Subd. 2. In the event that the municipality, political subdivision, state agency, or other governmental entity provides direct financial subsidy to the hospital from tax revenue at the time an undertaking authorized under subdivision 1 is established or funded, the hospital may not contribute funds to the undertaking for more than three years and thereafter all funds must be repaid, with interest, in no more than five years.*

*Subd. 3. The conversion of public funds for the benefit of any individual shall constitute grounds for review and action by the attorney general or the county attorney under section 609.54.*

*Subd. 4. Any organization or other arrangement established under this section and involved in the governance of a hospital shall be subject to the public purchasing requirements of section 471.345, the open meeting law, section 471.705, and the data practices act, chapter 13."*

Amend the title as follows:

Page 1, line 5, delete "317" and insert "144"

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. 1976, A bill for an act relating to agriculture; requiring agricultural land preservation planning and official controls outside of the metropolitan area; establishing agricultural land preservation and conservation awareness and assistance programs; allowing valuation of agricultural land on the basis of productivity and net earning capacity; creating a legislative commission on agricultural land preservation and conservation; authorizing a special levy; creating a cost-sharing account in the state treasury; imposing a penalty; appropriating money; amending Minnesota Statutes 1982, section 40.036, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 40A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [40A.02] [DEFINITIONS.]

*Subdivision 1. [TERMS DEFINED.] As used in this chapter, the terms defined in this section have the meanings given them.*

*Subd. 2. [BOARD.] "Board" means the state soil and water conservation board.*

*Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture.*

*Subd. 4. [DEPARTMENT.] "Department" means the department of agriculture.*

*Subd. 5. [DISTRICT.] "District" means a soil and water conservation district.*

Sec. 2. [40A.14] [AGRICULTURAL LAND PRESERVATION AND CONSERVATION AWARENESS PROGRAM.]

*Subdivision 1. [ESTABLISHMENT AND ADMINISTRATION.] An agricultural land preservation and conservation awareness program is created. The department shall administer the program as provided in this section. The purposes of the program are to promote and increase public awareness of:*

*(1) the need for agricultural land preservation and conservation and the consequences of resource degradation;*

*(2) the physical, environmental, and social factors that affect agricultural land use; and*

(3) *the availability and effectiveness of agricultural land preservation and conservation approaches and technologies.*

*The department shall administer the program in order to develop a working partnership between the state and local governments.*

*Subd. 2. [SURVEY.] The department shall survey awareness of agricultural land preservation and conservation problems, technologies, and available technical and financial resources. The survey must include:*

(1) *an assessment of related efforts of the United States Department of Agriculture, the board, the Minnesota association of soil and water conservation districts, and other related public and private organizations;*

(2) *an assessment of programs in other states; and*

(3) *an assessment of attitudes among a variety of target audiences in Minnesota that are involved in or affected by land use decisions.*

*Subd. 3. [PUBLIC PARTICIPATION.] The department shall ensure the participation of a cross-section of the public in developing and promoting programs under this chapter. The department shall actively solicit public involvement in reviewing proposed agricultural land preservation plans and proposed official controls. The department shall assist the public in obtaining information concerning the status of county proposals and the agricultural land preservation and conservation assistance program. The department may form a citizen advisory board to assist it in assessing needs, determining the feasibility of different approaches, and securing applications for assistance and resources in local situations.*

**Sec. 3. [40A.18] [LEGISLATIVE COMMISSION ON AGRICULTURAL LAND PRESERVATION AND CONSERVATION.]**

*Subdivision 1. [CREATION.] A legislative commission on agricultural land preservation and conservation is created. The commission consists of 16 members appointed as follows:*

(1) *eight members of the senate from the transportation, agriculture and natural resources, and local and urban government committees appointed by the subcommittee on committees of the committee on rules and administration;*

(2) *eight members of the house of representatives from the transportation, agriculture, environment and natural resources, and local and urban affairs committees appointed by the speaker of the house; and*

(3) no more than the lowest possible numerical majority from each body shall be from the majority caucus.

*Vacancies occurring on the commission do not affect the authority of the remaining members to perform its functions, and vacancies are filled in the same manner as the original positions.*

*The commission shall elect a chairman from its members.*

*Subd. 2. [STAFF.] The commission may hire employees in the unclassified service necessary to carry out its functions and may contract for services. State employees currently in the classified service who are assigned to the commission may retain their classified status.*

*Subd. 3. [EXPENSES.] Commission members and staff are entitled to reimbursement pursuant to the rules governing legislators and legislative employees.*

*Subd. 4. [DUTIES.] The commission shall monitor and review the implementation of the policies and programs contained in this chapter and other state policies and programs relating to agricultural land preservation and conservation, including chapter 473H. The commission shall cooperate with and assist the department, the board, districts, and counties in performing their duties under this chapter. The commission shall collect and appraise data on land use in Minnesota, including the conversion of land to and from agricultural use and the relative effectiveness of soil conservation strategies. The commission shall monitor, review, and comment on any state or federal grants made for agricultural land preservation and conservation activities.*

*Subd. 5. [DATA FROM STATE AGENCIES; AVAILABILITY.] The commission may request information from any state officer or agency to assist it in carrying out its duties and the officer or agency shall promptly supply any information that is requested.*

*Subd. 6. [REPORTS AND RECOMMENDATIONS.] The commission shall report to the legislature by November 15 of each even-numbered year on its activities under this section. The report must include recommendations for appropriate legislation.*

**Sec. 4. [40A.19] [DEPARTMENT REPORT.]**

*The department shall report to the legislative commission on agricultural land preservation and conservation in January of each year on its activities under this chapter. The report must include the survey of public awareness under section 2, subdivision 2. The report shall include recommendations for funding levels and other necessary legislative action.*

Sec. 5. Minnesota Statutes 1982, section 40.036, is amended by adding a subdivision to read:

*Subd. 7. [COST-SHARING ACCOUNT.] There is created in the state treasury a special account for financing cost-sharing contracts under this section. The account consists of all amounts appropriated for cost-sharing contracts and any unencumbered funds that are returned to the state board by a district for reallocation. In distributing funds that are returned for reallocation, the state board shall give priority to districts in counties that have scheduled completion of the county soil survey. Money in the cost-sharing account is appropriated to the state board for the purposes of this section.*

Sec. 6. [TRANSFER OF COST-SHARING APPROPRIATION.]

*The commissioner of finance shall transfer the unencumbered balances of the appropriations made in Laws 1983, chapter 293, section 5, for cost-sharing contracts to the special account created in section 5.*

Sec. 7. [APPROPRIATIONS.]

*Subdivision 1. [AGRICULTURAL LAND PRESERVATION AND CONSERVATION AWARENESS PROGRAM.] The sum of \$ . . . . . is appropriated from the general fund to the commissioner of agriculture for the agricultural land preservation and conservation awareness program to provide a minimum of one full-time staff position and necessary support services to be located in the soil and water conservation board, and to be available for the fiscal year ending June 30, 1985.*

*Subd. 2. [PRESERVATION AND CONSERVATION.] The sum of \$ . . . . . is appropriated from the general fund to the legislative commission on agricultural land preservation and conservation for hiring staff and performing its duties, to be available for the fiscal year ending June 30, 1985."*

Delete the title and insert:

"A bill for an act relating to agriculture; establishing an agricultural land preservation and conservation awareness program; creating a legislative commission on agricultural land preservation and conservation; creating a cost-sharing account in the state treasury; appropriating money; amending Minnesota Statutes 1982, section 40.036, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 40A."



With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1982, A bill for an act relating to towns; permitting towns to make charitable contributions; amending Minnesota Statutes 1982, section 365.10.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 365.10, is amended to read:

365.10 [TOWN MEETINGS, POWERS.]

The electors of each town have power, at their annual town meeting:

(1) To determine the locations of pounds, and number of poundmasters, and to discontinue any such pounds;

(2) To select such town officers as are to be chosen;

(3) To make such lawful orders and bylaws as they deem proper for restraining horses, cattle, sheep, swine, and other domestic animals from going at large on the highways, and provide for impounding such animals so going at large;

(4) to fix penalties for violations of any order or bylaw made by such town, except such as relate to the keeping and maintaining of fences;

(5) To vote money for the repair and construction of roads and bridges, and determine the amount thereof to be assessed as labor tax, and to vote such sums as they deem expedient for other town expenses, including the construction and maintenance of docks and breakwaters;

(6) When they deem it for the interest of the town to direct that a specified amount of the poll and road tax be expended, under the direction of their town board, on the roads of an adjoining town;

(7) To authorize the town board to sell and convey or lease any real or personal property belonging to the town, not con-

veyed to and required to be held by the town for a special purpose;

(8) To authorize the town board to purchase or build a town hall or other building for the use of the town, and to determine, by ballot, the amount of money to be raised for that purpose; but, if a site for a town hall is once obtained, it shall not be changed for another site, except by vote therefor designating a new site by two-thirds of the votes cast at such election of the legal voters of the town;

(9) To authorize the town board, by vote, to purchase grounds for a town cemetery, and limit the price to be paid, and to vote a tax for the payment thereof;

(10) To authorize the town, either by itself or in conjunction with one or more other towns, to purchase grounds for a public park and to limit the price to be paid therefor, to authorize the town, alone or in conjunction with such other town or towns, to care for, improve, and beautify such parks, and to determine, by ballot, the amount of money to be raised for that purpose, and to vote a tax for the payment thereof;

(11) To vote money to aid in the construction of community halls, to be erected by farm bureaus, farmers clubs, or other like organizations.

(12) To vote a tax to purchase and maintain a public dumping ground.

(13) To authorize the town board, by resolution, to determine whether to open or maintain town roads upon which no maintenance or construction has been conducted for 25 years or more. For purposes of this clause the provisions of section 163.16 shall not apply to town roads described in this clause, nor shall the provisions of this clause apply to cartways.

*(14) To authorize the town board to contract in an amount not to exceed a total of \$5,000 in any year with nonprofit organizations for health, social, or recreational services when deemed in the public interest and of benefit to the town."*

Delete the title and insert:

"A bill for an act relating to towns; authorizing contributions to certain organizations; amending Minnesota Statutes 1982, section 365.10."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2012, A bill for an act relating to local government; providing for financing of county and county regional jails; amending Minnesota Statutes 1982, sections 641.24; and 641.264, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 16, after "plans" insert "*prepared by or at the request of the county board and*"

Page 2, line 29, after "or" insert "*, with the approval of the board of county commissioners of each cooperating county,*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 2047, A bill for an act relating to transportation; authorizing the expenditure of county turnback account funds and state transportation bond funds for bridges ten feet or more in length following replacement; amending Minnesota Statutes 1982, section 174.50, subdivision 7; and Minnesota Statutes 1983 Supplement, section 161.082, subdivision 2a.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2062, A bill for an act relating to state departments; providing statutory changes requested by commissioner of administration required by reorganization orders; amending Minnesota Statutes 1982, sections 60A.15, subdivisions 1, 2, 8, 9, 10, and by adding a subdivision; 69.021, subdivision 2; 69.031, subdivision 6; 116C.03, subdivision 4; 116J.64, subdivisions 5 and 7; and 161.20, subdivision 4; Minnesota Statutes 1983 Supplement, sections 60A.15, subdivision 12; 116C.03, subdivision 2; 116J.01, subdivision 3; 116J.42, subdivisions 4 and 9; 161.465; and 299A.-04; Laws 1983, chapter 289, section 115, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1982, section 116C.04, subdivisions 5 and 6.

Reported the same back with the following amendments:

Page 1, line 19 to page 7, line 35, delete article 1

Page 12, line 29, after "section" insert ", except those with private persons,"

Renumber the articles in sequence

Amend the title as follows:

Page 1, line 5, delete everything after "sections"

Page 1, delete line 6

Page 1, line 7, delete everything before "116C.03,"

Page 1, line 10, delete "60A.15, subdivision 12;"

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. 2070, A bill for an act relating to communications; deregulating radio common carriers; amending Minnesota Statutes 1982, section 237.01, subdivision 2, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 1, delete "A radio"

Page 2, delete lines 2 to 4

Page 2, after line 4, insert:

"Sec. 3. Minnesota Statutes 1982, section 237.01, is amended by adding a subdivision to read:

*Subd. 5. [CELLULAR RADIO.] A radio common carrier does not include a person, firm, association, or corporation providing these or similar services by means of the technology known as cellular radio.*

Sec. 4. [REPEALER.]

*Section 3 is repealed effective June 1, 1985."*

Amend the title as follows :

Page 1, line 4, delete "a subdivision" and insert "subdivisions"

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. 2098, A bill for an act relating to public welfare; revising procedures for determining operating cost payment rates for nursing homes; amending Minnesota Statutes 1982, section 144.072; Minnesota Statutes 1983 Supplement, sections 144A.31, subdivision 4; 256B.421, subdivision 2; 256B.431, subdivisions 1, 2, 4, 5, and by adding a subdivision; 256B.50; proposing new law coded in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments :

Delete everything after the enacting clause and insert :

"Section 1. Minnesota Statutes 1983 Supplement, section 45.16, subdivision 2, is amended to read :

Subd. 2. [DUTIES.] The attorney general shall :

(a) enforce the provisions of law relating to consumer fraud and unlawful practices in connection therewith as set forth in sections 325F.68 and 325F.69 ;

(b) *enforce the provisions of law set forth in sections 2 to 4 ;*

(c) make recommendations to the governor and the legislature for statutory needs that exist in adequately protecting the consumer.

Sec. 2. [80D.19] [ANNUAL FINANCIAL STATEMENT REQUIRED.]

*A provider shall prepare and distribute an annual financial statement to the residents of a facility. The statement shall be prepared in accordance with generally accepted accounting principles and shall be distributed within four months of the end of the provider's fiscal year. The statement must reflect all of the income and expense attributable to the facility for the fiscal year covered. The statement must account for all receipts and disbursements from whatever source derived, to whatever source paid, arising from the operation of the facility.*

*All entrance and maintenance fees, actual interest received and paid, and loan proceeds received, and interest and principal paid thereon, must be accounted for whether or not included in separate accounts because of trust, escrow, or other requirements. Items of income and expense to be allocated between a facility and another accounting entity must be allocated in accordance with generally accepted accounting principles. The allocation must be noted in the statement. The statement must be in sufficient detail to be meaningful but must be easily readable by, and understandable to, a person of average intelligence and education. The statement must include comparable data for the fewer of: each of the last five years; or for each year since the first receipts or disbursements, arising out of the facility project. If comparable data does not exist and cannot be created for a past year, the variation must be noted and explained in the statement.*

**Sec. 3. [80D.20] [RESIDENTS' REVIEW OF BUDGET; MONTHLY STATEMENTS; MANAGEMENT CONTRACTS.]**

*Subdivision 1. [FORMATION OF ASSOCIATION.] The residents of a facility may form a residents' association to deal with common interests related to their residency. The association may be organized in any way so long as each resident is given an equal opportunity to participate and an equal vote in the association's decisions including those delegating authority to the association's officers, board, and committees, if any.*

*Subd. 2. [ANNUAL BUDGET REVIEW.] Upon notification to it of the existence of a residents' association, the provider must present its annual budget to the association for comment before its adoption. The budget must be in sufficient detail to be meaningful, but must be readable by, and understandable to, a person of average intelligence and education. The budget must reflect the projected collection and disbursement of receipts of any kind, for any purpose by the provider, or any person related in business to the provider, attributable to residents of the facility, including interest income, and trust assets, during the budget year.*

*Subd. 3. [REVIEW OF MONTHLY EXPENDITURE STATEMENTS.] Throughout the budget year, the provider must give the association timely monthly statements of current income and expense showing year-to-date relationship to the annual budget, and explanations for a deviation from the budget. The association or its representative may comment on, or raise questions about, the monthly statements, to the provider.*

*Subd. 4. The penalty provisions of section 80D.16 shall apply to provider actions in sections 2 and 3.*

**Sec. 4. [TIME OF EFFECT.]**

*The first reporting fiscal year a provider must comply with section 2 is the first of its fiscal years that ends after the effective date of sections 1 to 3. Comparable data from up to five years earlier than the reporting fiscal year is required to comply with section 1 according to its terms.*

Sec. 5. Minnesota Statutes 1982, section 144.072, is amended to read:

**144.072 [IMPLEMENTATION OF SOCIAL SECURITY AMENDMENTS OF 1972.]**

*Subdivision 1. The state commissioner of health shall implement by rule, pursuant to the administrative procedures act, those provisions of the social security amendments of 1972 (P. L. 92-603) required of state health agencies, including rules which:*

(a) establish a plan, consistent with regulations prescribed by the secretary of health, education, and welfare, for the review by appropriate professional health personnel, of the appropriateness and quality of care and services furnished to recipients of medical assistance; and

(b) provide for the determination as to whether institutions and agencies meet the requirements for participation in the medical assistance program, and the certification that those requirements, including utilization review, are being met.

*Subd. 2. The policies and procedures, including survey forms, reporting forms, and other documents developed by the commissioner of health for the purpose of conducting the inspections of care required under the provisions of 42 CFR 456.600 to 456.614 in effect on March 1, 1984, have the force and effect of law and shall remain in effect and govern inspections of care until June 30, 1986, unless otherwise superceded by rules promulgated by the commissioner of health.*

**Sec. 6. [144.0721] [ASSESSMENTS OF CARE AND SERVICES TO NURSING HOME RESIDENTS.]**

*Subdivision 1. The commissioner of health shall assess the appropriateness and quality of care and services furnished to private paying residents in nursing homes and boarding care homes that are certified for participation in the medical assistance program under United States Code, title 42, section 1396 et seq. These assessments shall be conducted in accordance with section 144.072, with the exception of the provisions requiring the making of recommendations for changes in the level of care provided to the private paying residents.*

*Subd. 2. [ACCESS TO DATA.] With the exception of summary data, data on individuals that is collected, maintained, used, or disseminated by the commissioner of health under subdivision 1 shall be private data on individuals and shall not be disclosed to others except:*

- (1) pursuant to section 13.05;*
- (2) pursuant to a valid court order;*
- (3) to the nursing home or boarding care home in which the individual resided at the time the assessment was completed; or*
- (4) to the commissioner of public welfare.*

Sec. 7. Minnesota Statutes 1983 Supplement, section 144A.31, subdivision 4, is amended to read:

*Subd. 4. [ENFORCEMENT.] The board shall develop and recommend for implementation effective methods of enforcing quality of care standards. When it deems necessary, and when all other methods of enforcement are not appropriate, the board shall recommend to the commissioner of health closure of all or part of a nursing home or certified boarding care home and revocation of the license. The board shall develop, and the commissioner of public welfare shall implement, a resident relocation plan that instructs the county in which the nursing home or certified boarding care home is located of procedures to ensure that the needs of residents in nursing homes or certified boarding care homes about to be closed are met. The duties of a county under the relocation plan also apply when residents are to be discharged from a nursing home or certified boarding care home as a result of change in certification, closure, or loss or termination of the facility's medical assistance provider agreement. The county shall ensure placement in swing beds in hospitals, placement in unoccupied beds in other nursing homes, utilization of home health care on a temporary basis, foster care placement, or other appropriate alternative care. In preparing for relocation, the board shall ensure that residents and their families or guardians are involved in planning the relocation.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 256B.421, subdivision 2, is amended to read:

*Subd. 2. [ACTUAL ALLOWABLE HISTORICAL OPERATING COST PER DIEM.] "Actual allowable historical operating cost per diem" means the per diem (PAYMENT FOR ACTUAL) operating costs (, INCLUDING OPERATING COSTS,) allowed by the commissioner for the most recent reporting year.*



Sec. 9. Minnesota Statutes 1983 Supplement, section 256B.-421, Subdivision 5, is amended to read:

Subd. 5. [GENERAL AND ADMINISTRATIVE COSTS.] "General and administrative costs" means all allowable costs for administering the facility, including but not limited to: salaries of administrators, assistant administrators, (MEDICAL DIRECTORS,) accounting personnel, data processing personnel, and all clerical personnel; board of directors fees; business office functions and supplies; travel, *except as necessary for training programs for nursing personnel and dieticians required to maintain licensure, certification, or professional standards requirements*; telephone and telegraph; advertising; (LICENSES AND PERMITS;) membership dues and subscriptions; postage; insurance, except as included as a fringe benefit under subdivision 14; professional services such as legal, accounting and data processing services; central or home office costs; management fees; management consultants; employee training, for any top management personnel and for other than direct resident care related personnel; and business meetings and seminars. These costs shall be included in general and administrative costs in total, without direct or indirect allocation to other cost categories.

In a nursing home of 60 or fewer beds, part of an administrator's salary may be allocated to other cost categories to the extent justified in records kept by the nursing home. Central or home office costs representing services of required consultants in areas including, but not limited to, dietary, pharmacy, social services, or activities may be allocated to the appropriate department, but only if those costs are directly identified by the nursing home.

Sec. 10. Minnesota Statutes 1983 Supplement, section 256B.-421, subdivision 8, is amended to read:

Subd. 8. [OPERATING COSTS.] "Operating costs" means the day-to-day costs of operating the facility in compliance with licensure and certification standards. Operating cost categories are: nursing, including nurses and nursing assistants training; dietary; laundry and linen; housekeeping; plant operation and maintenance; other care-related services; general and administration; payroll taxes; real estate taxes and actual special assessments paid; and fringe benefits, including clerical training *and travel necessary for nursing personnel or dieticians for training programs required to maintain licensure, certification, or professional standards requirements*.

Sec. 11. Minnesota Statutes 1983 Supplement, section 256B.-431, subdivision 1, is amended to read:

Subdivision 1. [IN GENERAL.] The commissioner shall determine prospective payment rates for resident care costs. In

determining the rates, the commissioner shall group nursing homes according to different levels of care and geographic location until July 1, 1985 (, AND AFTER THAT DATE, MIX OF RESIDENT NEEDS, AND GEOGRAPHIC LOCATION, AS DEFINED BY THE COMMISSIONER). *For rates established on or after July 1, 1985, the commissioner shall develop procedures for determining operating cost payment rates that take into account the mix of resident needs, geographic location, special resident populations served, administrative relationship to a hospital, and other factors as determined by the commissioner.* The commissioner shall consider the use of the standard metropolitan statistical areas when developing groups by geographic location. Until (GROUPS ARE ESTABLISHED ACCORDING TO MIX OF RESIDENT NEEDS) *the commissioner establishes procedures for determining operating cost payment rates,* the commissioner shall group all convalescent and nursing care units attached to hospitals into one group for purposes of determining reimbursement for operating costs. On or before June 15, 1983, the commissioner shall mail notices to each nursing home of the rates to be effective from July 1 of that year to June 30 of the following year. In subsequent years, the commissioner shall provide notice to each nursing home on or before May 1 of the rates effective for the following rate year. If a statute enacted after May 1 affects the rates, the commissioner shall provide a revised notice to each nursing home as soon as possible.

The commissioner shall establish, by rule, limitations on compensation recognized in the historical base for top management personnel. *For rate years beginning July 1, 1985, the commissioner shall not provide, by rule, limitations on top management personnel.* The commissioner shall also establish, by rule, limitations on allowable nursing hours for each level of care for the rate years beginning July 1, 1983 and July 1, 1984. *For the rate year beginning July 1, 1984, nursing homes in which the nursing hours exceeded 2.9 hours per day for skilled nursing care or 2.3 hours per day for intermediate care during the reporting year ending on September 30, 1983 shall be limited to a maximum of 3.2 hours per day for skilled nursing care and 2.45 hours per day for intermediate care.*

Sec. 12. Minnesota Statutes 1983 Supplement, section 256B.431, subdivision 2, is amended to read :

Subd. 2. [OPERATING COSTS.] (a) *For the rate year beginning July 1, 1984, the commissioner shall establish, by rule, procedures for determining per diem reimbursement for operating costs based on actual resident days. The commissioner shall disallow any portion of the general and administration cost category, exclusive of fringe benefits and payroll taxes, that exceeds:*

(10 PERCENT) (1) *for nursing homes with more than 100 certified beds in total, the greater of ten percent or the median of*

*general and administrative cost per diems of nursing homes grouped by level of care;*

(12 PERCENT) (2) for nursing homes with fewer than 101 but more than 40 certified beds in total, *the greater of 12 percent or the median of general and administrative cost per diems of nursing homes grouped by level of care;*

(14 PERCENT) (3) for nursing homes with 40 or fewer certified beds in total, *the greater of 14 percent or the median of general and administrative cost per diems of nursing homes grouped by level of care; and*

(4) 15 percent for convalescent and nursing care units attached to hospitals for the rate year beginning July 1, (1983) 1984, of the expenditures in all operating cost categories except fringe benefits, payroll taxes, and general and administration.

(b) For the rate year beginning July 1, 1983 and ending June 30, 1984, the prospective operating cost payment rate for each nursing home shall be determined by the commissioner based on the allowed historical operating costs as reported in the most recent cost report received by December 31, 1982 and audited by March 1, 1983, and may be subsequently adjusted to reflect the costs allowed. To determine the allowed historical operating cost, the commissioner shall update the historical per diem shown in those cost reports to June 30, 1983, using a nine percent annual rate of increase after applying the general and administrative cost limitation described in paragraph (a). The commissioner shall calculate the 60th percentile of actual allowable historical operating cost per diems for each group of nursing homes established under subdivision 1.

(1) Within each group, each nursing home whose actual allowable historical operating cost per diem as determined under this paragraph (b) is above the 60th percentile shall receive the 60th percentile increased by six percent plus 80 percent of the difference between its actual allowable operating cost per diem and the 60th percentile.

(2) Within each group, each nursing home whose actual allowable historical operating cost per diem is at or below the 60th percentile shall receive that actual allowable historical operating cost per diem increased by six percent.

For the rate year beginning July 1, 1984, and ending June 30, 1985, the prospective operating cost payment rate for each nursing home shall be determined by the commissioner based on actual allowable historical operating costs incurred during the reporting year preceding the rate year. The commissioner shall analyze and evaluate each nursing home's report of allowable operating costs incurred by the nursing home during the report-

ing year immediately preceding the rate year. The actual allowable historical operating costs, after the commissioner's analysis and evaluation, shall be added together and divided by the number of actual resident days to compute the actual allowable historical operating cost per diems. The commissioner shall calculate the 60th percentile of actual allowable historical operating cost per diems for each group of nursing homes established under subdivision 1.

(3) Within each group, each nursing home whose actual allowable historical operating cost per diem is above the 60th percentile of payment rates shall receive the 60th percentile increased at an annual rate of six percent plus 75 percent of the difference between its actual allowable historical operating cost per diem and the 60th percentile.

(4) Within each group, each nursing home whose actual allowable historical operating cost per diem is at or below the 60th percentile shall receive that actual allowable historical operating cost per diem increased at an annual rate of six percent.

(c) For (SUBSEQUENT YEARS) *rate years beginning on or after July 1, 1985*, the commissioner shall establish procedures for determining per diem reimbursement for operating costs. The commissioner shall:

(1) Contract with an econometric firm with recognized expertise in and access to national economic change indices that can be applied to the appropriate cost categories when determining the operating cost payment rate;

(2) (ESTABLISH THE 60TH PERCENTILE OF ACTUAL ALLOWABLE HISTORICAL OPERATING COST PER DIEMS FOR EACH GROUP OF NURSING HOMES ESTABLISHED UNDER SUBDIVISION 1 BASED ON COST REPORTS OF ALLOWABLE OPERATING COSTS IN THE PREVIOUS REPORTING YEAR.) The commissioner shall analyze and evaluate each nursing home's *cost* report of allowable operating costs incurred by the nursing home during the reporting year immediately preceding the rate year for which the payment rate becomes effective. (THE ALLOWABLE HISTORICAL OPERATING COSTS, AFTER THE COMMISSIONER'S ANALYSIS AND EVALUATION, SHALL BE ADDED TOGETHER AND DIVIDED BY THE ACTUAL NUMBER OF RESIDENT DAYS IN ORDER TO COMPUTE THE ACTUAL ALLOWABLE HISTORICAL OPERATING COST PER DIEM;)

(3) *Establish limits on actual allowable historical operating cost per diems based on cost reports of allowable operating costs for the reporting year that begins October 1, 1983, taking*

*into consideration relevant factors including resident needs, geographic location, age, and size of the nursing home. The limits established under this clause shall remain in effect until the commissioner establishes a new base period. Until the new base period is established, the commissioner shall adjust the limits annually using the appropriate economic change indices established in paragraph (c), clause (4).*

*In determining allowable historical operating cost per diems for purposes of setting limits and nursing home payment rates, the commissioner shall divide the allowable historical operating costs by the actual number of resident days, except that where a nursing home is occupied at less than 90 percent of licensed capacity days, the commissioner may establish procedures to adjust the computation of the per diem to an imputed occupancy level at or below 90 percent.*

*The commissioner may establish efficiency incentives for different operating cost categories. The commissioner may combine one or more operating cost categories and may use different methods for calculating payment rates for each operating cost category or combination of operating cost categories.*

*((3)) (4) Establish a composite index (FOR EACH GROUP) or indices by determining the (WEIGHTED AVERAGE OF ALL) appropriate economic change indicators to be applied to (THE) specific operating cost categories (IN THAT GROUP;) or combination of operating cost categories.*

*((4) WITHIN EACH GROUP, EACH NURSING HOME SHALL RECEIVE THE 60TH PERCENTILE INCREASED BY THE COMPOSITE INDEX CALCULATED IN PARAGRAPH (C)(3). THE HISTORICAL BASE FOR DETERMINING THE PROSPECTIVE PAYMENT RATE SHALL NOT EXCEED THE OPERATING COST PAYMENT RATES DURING THAT REPORTING YEAR.)*

*(5) Each nursing home shall receive an operating cost payment rate equal to the sum of the nursing home's operating cost payment rates for each operating cost category. The operating cost payment rate for an operating cost category shall be the lesser of the nursing home's historical operating cost in the category increased by the appropriate index established in paragraph (c), clause (4) for the operating cost category plus an efficiency incentive established pursuant to paragraph (c), clause (3), or the limit for the operating cost category increased by the same index. If a nursing home's actual historic operating costs are greater than the prospective payment rate for that rate year, there shall be no retroactive cost settle-up. In establishing payment rates for one or more operating cost categories, the commissioner may establish separate rates for different classes of residents based on their relative care needs.*

(6) The commissioner shall include the reported actual real estate tax liability of each proprietary nursing home as an operating cost of that nursing home. The commissioner shall include a reported actual special assessment for each nursing home as an operating cost of that nursing home. Total real estate tax liability and actual special assessments paid for each nursing home (i) shall be divided by actual resident days in order to compute the operating cost payment rate for this operating cost category, (BUT (II) SHALL NOT BE USED TO COMPUTE THE 60TH PERCENTILE) (ii) shall not be used to compute the 60th percentile or other operating cost limits established by the commissioner, and (iii) shall not be increased by the composite index or indices established pursuant to paragraph (c), clause (4).

(7) For rate years beginning on or after July 1, 1986, the commissioner may allow a one-time adjustment to historical operating costs of a nursing home that has been found by the commissioner of health to be significantly below care related minimum standards as established by state and federal requirements appropriate to the mix of resident needs in that nursing home when it is determined by the commissioners of health and welfare that the nursing home is unable to meet minimum standards through reallocation of nursing home costs and efficiency incentives or allowances. In developing procedures to allow adjustments, the commissioner shall specify the terms and conditions governing any additional payments made to a nursing home as a result of the adjustment. The commissioner shall establish procedures to recover amounts paid pursuant to this clause, in whole or in part, and to adjust current and future rates, for nursing homes that fail to use the adjustment to satisfy care related minimum standards.

(d) (THE COMMISSIONER SHALL ALLOW THE NURSING HOME TO KEEP, AS AN EFFICIENCY INCENTIVE, THE DIFFERENCE BETWEEN THE NURSING HOME'S OPERATING COST PAYMENT RATE ESTABLISHED FOR THAT RATE YEAR AND THE ACTUAL HISTORICAL OPERATING COSTS INCURRED FOR THAT RATE YEAR, IF THE LATTER AMOUNT IS SMALLER. IF A NURSING HOME'S ACTUAL HISTORIC OPERATING COSTS ARE GREATER THAN THE PROSPECTIVE PAYMENT RATE FOR THAT RATE YEAR, THERE SHALL BE NO RETROACTIVE COST SETTLE-UP.) If an annual cost report or field audit indicates that (THE) expenditures for direct resident care have been reduced in amounts large enough to indicate a possible detrimental effect on the quality of care, the commissioner shall notify the commissioner of health and the interagency board for quality assurance. If a field audit reveals that unallowable expenditures have been included in the nursing home's historical operating costs, the commissioner shall disallow the expenditures and recover the entire overpayment. The commissioner shall establish, by rule, pro-

cedures for assessing an interest charge at the rate determined for unpaid taxes or penalties under section 270.75 on any outstanding balance resulting from an overpayment or underpayment.

(e) *Until procedures for determining operating cost payment rates according to mix of resident needs are established,* the commissioner may negotiate, with a nursing home that is eligible to receive medical assistance payments, a payment rate of up to 125 percent of the allowed payment rate to be paid for a period of up to three months for individuals who have been hospitalized for more than 100 days, or who have extensive care needs based on nursing hours actually provided or mental or physical disability, or need for respite care for a specified and limited time period (, AND). *The payment rate shall be based on an assessment of the nursing home's resident mix as determined by the commissioner of health. The payment rate negotiated and paid pursuant to this paragraph is specifically exempt from the definition of "rule" and the rule-making procedures required by chapter 14 and section 256B.502.*

(f) **UNTIL (GROUPS ARE ESTABLISHED ACCORDING TO MIX OF RESIDENT CARE NEEDS)** *procedures for determining operating cost payment rates according to mix of resident needs are established,* nursing homes licensed on June 1, 1983 by the commissioner to provide residential services for the physically handicapped and nursing homes that have an average length of stay of less than 180 days shall not be included in the calculation of the 60th percentile of any group. For rate year beginning July 1, 1983 and July 1, 1984, each of these nursing homes shall receive their actual allowed historical operating cost per diem increased by six percent. The commissioner shall also apply to these nursing homes the percentage limitation on the general and administrative cost category as provided in subdivision 2, paragraph (a).

Sec. 13. Minnesota Statutes 1983 Supplement, section 256B.431, subdivision 4, is amended to read:

Subd. 4. [SPECIAL RATES.] (a) A newly constructed nursing home or one with a capacity increase of 50 percent or more may, upon written application to the commissioner, receive an interim payment rate for reimbursement for property-related costs calculated pursuant to the statutes and rules in effect on May 1, 1983 and for operating costs negotiated by the commissioner based upon the 60th percentile established for the appropriate group under subdivision 2, paragraph (b) to be effective from the first day a medical assistance recipient resides in the home or for the added beds. For newly constructed nursing homes which are not included in the calculation of the 60th percentile for any group, subdivision 2(f), the commissioner shall establish by rule procedures for determining interim operating cost payment rates and interim property-related cost payment rates. The interim payment rate shall not be in effect for

more than 17 months. The commissioner shall establish, by temporary and permanent rules, procedures for determining the interim rate and for making a retroactive cost settle-up after the first year of operation; the cost settled operating cost per diem shall not exceed 110 percent of the 60th percentile established for the appropriate group. *Until procedures determining operating cost payment rates according to mix of resident needs are established*, the commissioner shall establish by rule procedures for determining payment rates for nursing homes which provide care under a lesser care level than the level for which the nursing home is certified.

*(b) For rate years beginning on or after July 1, 1983, the commissioner may exclude from a provision of 12 MCAR S 2.050 any facility that is licensed by the department of health only as a boarding care home, is certified by the department of health as an intermediate care facility, is licensed by the department of public welfare under 12 MCAR S 2.036, and has less than five percent of its licensed boarding care capacity reimbursed by the medical assistance program. Until a permanent rule to establish the payment rates for facilities meeting these criteria is promulgated, the commissioner shall establish the medical assistance payment rate as follows:*

*(1) The desk audited payment rate in effect on June 30, 1983, shall remain in effect until the end of the facility's fiscal year. The commissioner shall not allow any amendments to the cost report on which this desk audited payment rate is based.*

*(2) For each fiscal year beginning between July 1, 1983, and June 30, 1985, the facility's payment rate shall be established by increasing the desk audited payment rate determined in paragraph (b), clause (1) at an annual rate of five percent.*

*(3) For fiscal years beginning on or after July 1, 1985, the facility's payment rate shall be established by increasing the facility's payment rate in the facility's prior fiscal year by the increase indicated by the consumer price index for Minneapolis and St. Paul.*

*(4) For the purpose of establishing payment rates under this clause, the facility's rate and reporting years coincide with the facility's fiscal year.*

*A facility that meets the criteria of paragraph (b) shall submit annual cost reports on forms prescribed by the commissioner.*

Sec. 14. Minnesota Statutes 1983 Supplement, section 256B.-431, subdivision 5, is amended to read:

Subd. 5. [ADJUSTMENTS.] When resolution of appeals or on-site field audits of the records of nursing homes within a



group result in adjustments to the 60th percentile of the payment rates within the group in (ANY) *the reporting year ending on September 30, 1983*, the 60th percentile established for the following rate year for that group shall be increased or decreased by the adjustment amount.

Sec. 15. Minnesota Statutes 1983 Supplement, section 256B.-431, is amended by adding a subdivision to read:

*Subd. 6. The commissioners of health and welfare shall adopt temporary rules necessary for the implementation and enforcement of the reimbursement system established in sections 5 to 17. The commissioner of health may adopt temporary rules relating to the licensure requirements of boarding care homes and nursing homes promulgated under sections 144.56 and 144A.08 if appropriate due to the changes in the reimbursement system. Until June 30, 1986, any temporary rules promulgated by the commissioners of health or welfare under this section shall be adopted in accordance with the provisions contained in sections 14.29 to 14.36 in effect as of March 1, 1984. Temporary rules adopted under this section shall have the force and effect of law and shall remain in effect until June 30, 1986 unless otherwise superseded by rule. The procedures for the adoption of the temporary rules authorized by this section shall prevail over any other act which amends the provisions of chapter 14 regardless of the date of final enactment of those amendments. The rules shall be developed in consultation with the interagency board for quality assurance, provider groups and consumers and the board shall conduct public hearings as appropriate. The commissioners of health and welfare shall consider all comments received and shall not implement the temporary rules until a report on the proposed rules has been presented to the senate health and human services committee and the house of representatives health and welfare committee. The rules shall be effective five days after publication in the State Register.*

Sec. 16. Minnesota Statutes 1983 Supplement, section 256B.-50, is amended to read:

256B.50 [APPEALS.]

A nursing home may appeal a decision arising from the application of standards or methods pursuant to sections 256B.41 and 256B.47 if the appeal, if successful, would result in a change to the nursing home's payment rate. *The appeal procedures also apply to appeals of payment rates calculated under 12 MCAR S 2.049 filed with the department on or after May 1, 1984.* To appeal, the nursing home shall notify the commissioner *in writing* of its intent to appeal within 30 days and submit a written appeal request within 60 days of receiving notice of the payment rate determination or decision. The appeal request shall specify each disputed item, the reason for the dispute, an estimate of the

dollar amount involved for each disputed item, the computation that the nursing home believes is correct, the authority in statute or rule upon which the nursing home relies for each disputed item, the name and address of the person or firm with whom contacts may be made regarding the appeal, and other information required by the commissioner. The appeal shall be heard by a hearing examiner according to sections 14.48 to 14.56, or upon agreement by both parties according to a modified appeals procedure established by the commissioner and the hearing examiner. In any proceeding under this section, the appealing party must demonstrate by a preponderance of the evidence that the commissioner's determination is incorrect. Regardless of any rate appeal, the rate established shall be the rate paid and shall remain in effect until final resolution of the appeal or subsequent desk or field audit adjustment, notwithstanding any provision of law or rule to the contrary. To challenge the validity of rules established by the commissioner pursuant to sections 256B.41, 256B.421, 256B.431, 256B.47, 256B.48, 256B.50, and 256B.502, a nursing home shall comply with section 14.44.

Sec. 17. [256B.504] [PROHIBITION.]

*Except for beds in state-operated institutions, no person, corporation, foreign or domestic, partnership, or association of such entities shall own, possess, or exercise control over, in any manner, more than ten percent of the beds in skilled nursing facilities, or intermediate care facilities, or boarding care homes certified for participation in the medical assistance program under United States Code, title 42, section 1396 et seq. Facilities certified as intermediate care facilities mentally retarded shall be considered a separate classification.*

Sec. 18. [REPORT.] *By February 1, 1985, the commissioner of health shall report to the legislature recommendations to reduce the amount and cost of regulation for nursing homes. The recommendations shall identify at least ten specific regulations and regulatory procedures that are not cost effective and that do not enhance the quality of care for residents of nursing homes.*

Sec. 19. [APPROPRIATION.]

*There is appropriated to the commissioner of health \$ . . . . . for purposes of sections 5, 6, and 15. The approved complement of the department of health is increased by . . . . . positions for the purposes of sections 5, 6, and 15. This appropriation is available until expended.*

Sec. 20. [EFFECTIVE DATE.]

*Sections 5 to 19 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 2, after the semicolon, insert "requiring financial statements by providers of continuing care facilities; allowing residents to form associations;"

Page 1, line 4, after the semicolon, insert "appropriating money;"

Page 1, line 5, after "sections" insert "45.16, subdivision 2;"

Page 1, line 6, delete "subdivision 2" and insert "subdivisions 2, 5, and 8"

Page 1, line 9, delete "chapter 144" and insert "chapters 80D; 144; and 256B"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2128, A bill for an act relating to public welfare; establishing an experimental family-based services program for children; providing grants; proposing new law coded in Minnesota Statutes, chapter 257.

Reported the same back with the following amendments:

Page 2, line 7, delete everything after the period

Page 2, delete lines 8 and 9

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2185, A bill for an act relating to local government; providing for the conduct of the business of towns; setting various conditions for elections; providing for certain town debt; revising various other town laws; providing penalties; amending Minnesota Statutes 1982, sections 6.54, as amended;

6.55; 117.011; 160.02, subdivision 6; 160.05, subdivision 1; 160.17, subdivisions 1 and 2; 164.06; 164.11; 164.14, by adding a subdivision; 340.14, subdivision 5; 365.10; 365.15; 365.37; 365.51; 365.53; 366.01, subdivisions 2, 3, 4, 7, and by adding subdivisions; 366.015; 366.07; 367.02; 367.05, subdivision 1; 367.10; 367.15; 367.19; 367.23; 367.24; 367.30, subdivision 2; 367.31, subdivision 6; 368.01, subdivisions 1, 17, 21, 22, and 26; 368.121; 450.19; 624.44; and 624.51; Minnesota Statutes 1983 Supplement, sections 365.52; 366.20; 367.11; and 429.011, subdivision 2b; proposing new law coded in Minnesota Statutes, chapters 365; 366; and 368; repealing Minnesota Statutes 1982, sections 160.21, subdivision 5; 365.105; 365.106; 365.12; 366.06; 367.035; 367.05, subdivision 2; 368.01, subdivision 28; 368.02; 368.03; 368.04; 368.05; 368.06; 368.07; 368.08; 368.09; 368.10; 368.11; and 368.86.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 6.54, as amended by Laws 1983, chapter 314, article 7, section 2, is amended to read:

#### 6.54 [EXAMINATION OF MUNICIPAL RECORDS PURSUANT TO PETITION.]

The registered voters in a home rule charter or statutory city or the electors at an annual or special town meeting of a town may petition the state auditor to examine the books, records, accounts, and affairs of the home rule charter or statutory city, town, or of any organizational unit, activity, project, enterprise, or fund thereof; and the scope of the examination may be limited by the petition, but the examination shall cover, at least, all cash received and disbursed and the transactions relating thereto, provided that the state auditor shall not examine more than the six latest years preceding the circulation of the petition, unless it appears to the state auditor during the examination that the audit period should be extended to permit a full recovery under bonds furnished by public officers or employees, and may if it appears to the auditor in the public interest confine the period or the scope of audit or both period and scope of audit, to less than that requested by the petition. In the case of a home rule charter or statutory city (OR TOWN), the petition shall be signed by a number of registered voters at least equal to 20 percent of those voting in the last presidential election. The eligible voters of any school district, as defined in section 123.32, subdivision 1a, may petition the state auditor, who shall be subject to the same restrictions regarding the scope and period of audit, provided that the petition shall be signed by at least ten eligible voters for each 50 resident pupils in average daily membership during the preceding school year as shown on the records in the office of the commissioner of education. (IN NO

CASE SHALL THE PETITION FOR AN EXAMINATION OF A TOWN BEAR THE NAMES OF LESS THAN 25 REGISTERED VOTERS; AND PROVIDED, THAT) In the case of school districts, the petition shall be signed by at least ten eligible voters. At the time it is circulated, every petition shall contain a statement that the cost of the audit will be borne by the city (, TOWN,) or school district as provided by law. Thirty days before the petition is delivered to the state auditor it shall be presented to the appropriate city (, TOWN) or school district clerk and the county auditor. The county auditor shall determine and certify whether the petition is signed by the required number of registered voters or eligible voters as the case may be. The certificate shall be conclusive evidence thereof in any action or proceeding for the recovery of the costs, charges and expenses of any examination made pursuant to the petition.

Sec. 2. Minnesota Statutes 1982, section 6.55, is amended to read:

**6.55 [EXAMINATION OF RECORDS PURSUANT TO RESOLUTION OF GOVERNING BODY.]**

The governing body of any city, town, county or school district, by appropriate resolution may ask the state auditor to examine the books, records, accounts and affairs of their government, or of any organizational unit, activity, project, enterprise, or fund thereof; and the state auditor shall examine the same upon receiving, pursuant to said resolution, a written request signed by a majority of the members of the governing body; and the governing body of any public utility commission, or of any public corporation having a body politic and corporate, or of any instrumentality joint or several of any city, town, county, or school district, may request an audit of its books, records, accounts and affairs in the same manner; provided that the scope of the examination may be limited by the request, but such examination shall cover, at least, all cash received and disbursed and the transactions relating thereto. Such written request shall be presented to the clerk, or recording officer of such city, town, county, school district, public utility commission, public corporation, or instrumentality, before being presented to the state auditor, who shall determine whether the same is signed by a majority of the members of such governing body and, if found to be so signed, shall certify such fact, and the fact that such resolution was passed, which certificate shall be conclusive evidence thereof in any action or proceedings for the recovery of the costs, charges and expenses of any examination made pursuant to such request. Nothing contained in any of the laws of the state relating to the state auditor, shall be so construed as to prevent any city, town or school district from employing a certified public accountant to examine its books, records, accounts and affairs. *For the purposes of this section, the governing body of a town is the town board.*

Sec. 3. Minnesota Statutes 1982, section 117.011, is amended to read:

117.011 [RIGHT OF EMINENT DOMAIN.]

All bodies, public or private, who have the right of eminent domain, when exercising (SUCH) *the* right, shall do so in the manner prescribed by this chapter, even though a different procedure may be provided by charter provisions, ordinance or statute, but nothing herein shall apply to the taking of property under laws relating to drainage or to town roads when (SUCH) *those* laws themselves expressly provide for (SUCH) *the* taking and specifically prescribe the procedure (CONNECTED THEREWITH).

Sec. 4. Minnesota Statutes 1982, section 160.02, subdivision 6, is amended to read:

Subd. 6. [TOWN ROADS.] "Town roads" includes those roads and cartways which have heretofore been or which hereafter may be established, constructed, or improved under the authority of the several town boards, roads established, constructed, or improved by counties that have been maintained by the towns for a period of at least one year prior to July 1, 1957 (, AND ALL ROADS LYING WITHIN THE TOWN ESTABLISHED BY USER).

Sec. 5. Minnesota Statutes 1982, section 160.05, subdivision 1, is amended to read:

Subdivision 1. [SIX YEARS.] When any road or portion of a road has been used and kept in repair and worked for at least six years continuously as a public highway *by a road authority*, it shall be deemed dedicated to the public to the width of the actual use and be and remain, until lawfully vacated, a public highway whether it has ever been established as a public highway or not. Nothing contained in this subdivision shall impair the right, title, or interest of the water department of any city of the first class secured under Special Laws 1885, Chapter 110. This subdivision shall apply to roads and streets except platted streets within cities.

Sec. 6. Minnesota Statutes 1982, section 160.17, subdivision 1, is amended to read:

Subdivision 1. [PLANS AND SPECIFICATIONS TO BE FILED IN CERTAIN CASES.] No contract for the construction or improvement of any road by a county or town (WHEREIN) *in which* the contract price exceeds (\$3,500) *the amount for which sealed bids are required as provided in section 471.345* shall be let unless the plans and specifications for (SUCH) *the* construction or improvement are on file in the office of the

county auditor and a true copy (THEREOF) of them available for reference in the office of the county highway engineer with respect to county and county state-aid highways, and with the town clerk with respect to town roads.

Sec. 7. Minnesota Statutes 1982, section 160.17, subdivision 2, is amended to read:

Subd. 2. [ADVERTISEMENT FOR BIDS.] No county or town road contract for construction or improvement exceeding (\$3,500) *the amount for which sealed bids are required as provided in section 471.345* shall be let without first advertising for bids in a newspaper of general circulation published in the county where the construction or improvement is proposed to be done. The advertisement shall be published once a week for three successive weeks, the last publication to be made at least ten days before the time fixed for receiving bids and letting the contract. It shall specify, generally, the work to be done, the place where the plans and specifications are on file, and the time and place of receiving bids and awarding the contract.

Sec. 8. Minnesota Statutes 1982, section 164.06, is amended to read:

164.06 [ESTABLISH (OR), ALTER, OR VACATE BY RESOLUTION.]

(IN ADDITION TO THE METHODS HEREIN PROVIDED, THE) A town board, when (THEREUNTO DULY) authorized by a vote of the electors at (ANY) *the* annual meeting, or at (ANY) *a* special meeting called for that purpose, may establish (OR), alter, *or vacate* a town road by resolution, and may acquire (SUCH) *the* right of way as may be necessary for (SUCH) *the* road by gift, purchase or (EMINENT DOMAIN PROCEEDINGS) as provided in (CHAPTER 117 AND ACTS AMENDATORY THERTO) *section 164.07.*

Sec. 9. Minnesota Statutes 1982, section 164.11, is amended to read:

164.11 [LANDS DEDICATED AS ROADS OR STREETS; IMPROVEMENT.]

Land dedicated to public use as a street, road or cartway, if not less than 30 feet in width, shall be deemed a legal cartway (AND SUBJECT TO IMPROVEMENT BY THE TOWN BOARD AS IN THE CASE OF CARTWAYS TWO OR MORE RODS IN WIDTH).

Sec. 10. Minnesota Statutes 1982, section 164.14, is amended by adding a subdivision to read:

*Subd. 4. [INEQUITABLE AGREEMENTS.] If an agreement for the division, as provided in subdivision 2, has proved to be inequitable, either the town board or the governing body of the city may petition the county board, or where the road is on a county line, the county boards of the counties concerned, to resolve the matter, and the county board or boards shall determine the proper division of responsibility. Where deemed necessary, the services of the county engineer may be used.*

Sec. 11. Minnesota Statutes 1982, section 340.14, subdivision 5, is amended to read:

Subd. 5. [SUNDAY SALES.] (a) Notwithstanding the provisions of subdivision 1, in any municipality establishments to which on sale licenses have been issued or hereafter may be issued for the sale of intoxicating liquors which are hotels or restaurants or clubs as defined in section 340.07, and which have facilities for serving not less than 30 guests at one time, may serve intoxicating liquors between the hours of 12 o'clock noon and 12 o'clock midnight on Sundays in conjunction with the serving of food. The governing body of any municipality within the seven county metropolitan area, as defined in section 473.121, subdivision 2, may adopt an ordinance that allows the licensees to serve intoxicating liquors between the hours of 10 o'clock a.m. and 12 o'clock midnight on Sundays in conjunction with the serving of food, provided that the licensee establishment is in conformance with the Minnesota Clean Indoor Air Act.

(b) It is unlawful for any such establishment, directly or indirectly, to sell or serve such intoxicating liquors as provided in paragraph (a) above, without having first obtained a special license from the municipality therefor. Such special license may be issued by the governing body of the municipality for a period of one year and for such a fee as it shall determine, but not exceeding \$200. The special license may be revoked by the governing body, for cause. The provisions of section 340.112 shall apply to such license. Application for the special license shall be made to the governing body of the municipality in the same manner as application for other licenses to sell intoxicating liquor are made.

(c) This subdivision shall not apply to any municipality until authorized by the voters of the municipality voting on the question at a special election called for such purpose or at the general election in the municipality, the election to be conducted in accordance with the applicable provisions of the Minnesota election law. Provided, however, that municipal voter approval shall not be required in the case of major airports operated by public corporations organized and existing under sections 473.601 to 473.679, which are operated by such public corporations as terminals for regular, scheduled air passenger service where the lands or any part thereof constituting the same have been detached from cities under and pursuant to sections 473.625 to



473.631, nor in the case of common carriers licensed under the provisions of sections 340.11, subdivision 3, and 340.12 and any license to sell intoxicating liquors on Sunday issued to a common carrier by the commissioner of public safety shall, in addition to all other license fees, require the payment to the commissioner of public safety of a fee of \$50 per annum plus a fee of \$5 for each duplicate of said license required to be posted in each place where intoxicating liquor is sold by said common carrier.

*(d) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town shall be held on the day of the annual election of town officers.*

Sec. 12. Minnesota Statutes 1982, section 365.10, is amended to read:

**365.10 [TOWN MEETINGS, POWERS.]**

The electors of each town have power, at their annual town meeting:

(1) To determine the locations of pounds, and number of poundmasters, and to discontinue any such pounds;

(2) To select such town officers as are to be chosen;

(3) To make (SUCH) lawful orders and bylaws as they deem proper for restraining horses, cattle, sheep, swine, and other domestic animals from going at large on the highways, (AND) provide for impounding (SUCH) those animals so going at large, and to fix penalties for violations of the orders or bylaws;

(4) (TO FIX PENALTIES FOR VIOLATIONS OF ANY ORDER OR BYLAW MADE BY SUCH TOWN, EXCEPT SUCH AS RELATE TO THE KEEPING AND MAINTAINING OF FENCES;)

((5)) To vote money for the repair and construction of roads and bridges, (AND DETERMINE THE AMOUNT THEREOF TO BE ASSESSED AS LABOR TAX,) and to vote such sums as they deem expedient for other town expenses, including the construction and maintenance of docks and breakwaters;

((6)) (5) When they deem it for the interest of the town to direct that a specified amount of the (POLL AND) road tax be expended, under the direction of their town board, on the roads of an adjoining town;

((7) TO AUTHORIZE THE TOWN BOARD TO SELL AND CONVEY OR LEASE ANY REAL OR PERSONAL PROPERTY BELONGING TO THE TOWN, NOT CONVEYED TO AND REQUIRED TO BE HELD BY THE TOWN FOR A SPECIAL PURPOSE;)

((8)) (6) To authorize the town board to purchase or build a town hall or other building for the use of the town, and to determine, by ballot, the amount of money to be raised for that purpose; but, if a site for a town hall is once obtained, it shall not be changed for another site, except by vote therefor designating a new site by two-thirds of the votes cast at such election of the legal voters of the town;

((9)) (7) To authorize the town board, by vote, to purchase grounds for a town cemetery, and limit the price to be paid, and to vote a tax for the payment thereof;

((10)) (8) To authorize the town, either by itself or in conjunction with one or more other towns, to purchase grounds for a public park and to limit the price to be paid therefor, to authorize the town, alone or in conjunction with such other town or towns, to care for, improve, and beautify such parks, and to determine, by ballot, the amount of money to be raised for that purpose, and to vote a tax for the payment thereof;

((11)) (9) To vote money to aid in the construction of community halls, to be erected by farm bureaus, farmers clubs, or other like organizations (.);

((12)) (10) To vote a tax to purchase and maintain a public dumping ground (.);

((13)) (11) To authorize the town board, by resolution, to determine whether to open or maintain town roads upon which no maintenance or construction has been conducted for 25 years or more. For purposes of this clause the provisions of section 163.16 shall not apply to town roads described in this clause, nor shall the provisions of this clause apply to cartways (.);

(12) *To authorize the town board to spend money in an amount as determined by the electors for the purpose of commemorating an event of historical significance to the town; and*

(13) *To authorize the town board to provide, by ordinance, for licensing and regulating the presence or keeping of dogs and cats and their running at large within the town.*

Sec. 13. [365.125] [ENACTMENT OF ORDINANCES.]

*Every ordinance shall be enacted by a majority vote of all the members of the town board unless a larger number is required*

*by law. It shall be signed by the chairman of the town board, attested by the clerk, and published once in a qualified newspaper having general circulation within the town. If the town board determines that publication of the title and a summary of an ordinance would clearly inform the public of the intent and effect of the ordinance, the town board may by a two-thirds vote of its members, or a four-fifths vote in a town having a five-member board direct that only the title of the ordinance and a summary be published with notice that a printed copy of the ordinance is available for inspection by any person during regular office hours of the town clerk and any other location which the town board designates. A copy of the entire text shall be posted in the community library, if there is one, or if not, in any other public location which the town board designates. Before the publication of the title and summary, the town board shall approve the text of the summary and determine that it clearly informs the public of the intent and effect of the ordinance. The publishing of the title and summary shall be deemed to fulfill all legal publication requirements as completely as if the entire ordinance had been published. The text of the ordinance shall be published in body type no smaller than brevier or eight-point type, as defined in section 331.07. Proof of the publication shall be attached to and filed with the ordinance. Every ordinance shall be recorded in the ordinance book within 20 days after publication of the ordinance or its title and summary. All ordinances shall be suitably entitled and shall be substantially in the style: "The Town Board of Supervisors of . . . . ordains:".*

Sec. 14. Minnesota Statutes 1982, section 365.15, is amended to read:

**365.15 [FIRE AND POLICE PROTECTION; ACQUISITION OF APPARATUS.]**

The electors of each town shall have the power at any annual or special town meeting to authorize the town board to provide for fire protection or for police protection, or both, and for the purchase or acquisition of apparatus therefor, either by itself or jointly with any other town, city, or any number thereof, and for the maintenance and operation of such apparatus, and to determine (BY BALLOT) the maximum amount of money to be raised in that year and each year thereafter for any or all of such purposes until changed in the same manner by the electors at a subsequent meeting.

Sec. 15. Minnesota Statutes 1982, section 365.37, is amended to read:

**365.37 [CONTRACTS; LET ON BIDS, OFFICERS NOT TO BE INTERESTED.]**

Except as provided in (LAWS 1951, CHAPTER 379) sections 471.87 to 471.89, no supervisors, town clerk, or town board shall

become a party to, or be directly or indirectly interested in, any contract made or payment voted by the town board and all contracts (INVOLVING AN EXPENDITURE OF \$1000 OR MORE) *let on bid* shall be let to the lowest responsible bidder after ten days public notice, posted in the three most public places in the town or published for two weeks in a newspaper generally circulated in the town, of the time and place of receiving bids. (IN CASES OF SPECIAL EMERGENCY, AMOUNTS IN EXCESS OF \$1000 MAY BE EXPENDED WITHOUT SUCH NOTICE BEING GIVEN. IN TOWNS HAVING LESS THAN 25 LEGAL VOTERS, THE OFFICERS MAY BE EMPLOYED UPON ROAD WORK BY THE DAY AT SUCH PRICE AS MAY HAVE BEEN FIXED FOR SUCH WORK BY THE TOWN AT ITS ANNUAL MEETING.) Every contract made and payment voted or made contrary to the provisions of this section shall be void and any such officer violating the provisions of this section shall be guilty of a misdemeanor and, in addition to the provisions prescribed by law, removed from office.

Sec. 16. Minnesota Statutes 1983 Supplement, section 365.52, is amended to read:

**365.52 [SPECIAL TOWN MEETINGS; PRECINCT; POLLING PLACES.]**

A special town meeting may be held for the purpose of election to fill a vacancy when the town board has failed to fill the vacancy by appointment, or for transacting any other lawful business whenever the supervisors (,) and town clerk, or any two of them, together with at least 12 other freeholders of the town, file in the office of the town clerk a written statement setting forth the reasons and necessity for the meeting and the particular business to be transacted at it and that the interests of the town require that the meeting be held. A town meeting may also be called upon a petition of 20 percent of the eligible voters of the town, based upon the number of voters at the last general election. The town board may, with respect to an election by ballot at a special town meeting for the purpose of selecting town officers or of determining any matter of town business, provide for the casting of ballots in precincts and at polling places. The precincts and polling places shall be designated by the town board in the manner prescribed by sections 204B.14 and 204B.16.

Sec. 17. Minnesota Statutes 1982, section 365.53, is amended to read:

**365.53 [NOTICES; PUBLICATION.]**

When (SUCH) *the* statement is so filed, the clerk shall record (THE SAME) *it*, and (CAUSE TEN DAYS' POSTED NOTICE THEREOF TO BE GIVEN, SPECIFYING THE PURPOSE

FOR WHICH IT IS TO BE HELD, AND IF A NEWSPAPER IS PUBLISHED IN THE TOWN CAUSE ONE WEEK'S PUBLISHED NOTICE OF SUCH MEETING TO BE GIVEN) *give ten days' published notice specifying the time and place and the purpose for which the meeting is to be held in a qualified newspaper having general circulation within the town, or by posted notice, as the town board shall direct unless the voters at the annual town meeting direct otherwise.* If a vacancy in an office is to be filled, the notice shall specify in what office it exists, how it occurred, who was the last incumbent, and when the legal term of (SUCH) *the office expires.*

Sec. 18. Minnesota Statutes 1982, section 366.01, subdivision 2, is amended to read:

Subd. 2. They may *by ordinance* prohibit or license and regulate the keeping of billiard, pool, and pigeon-hole tables, games of amusement, games of skill, juke boxes, roller skating rinks, bowling alleys, circuses, shows, *and* theatrical performances, (AND THE SALE OF FIREWORKS. AND MAY LICENSE AND REGULATE PUBLIC DANCING PLACES,) fix the price and time of continuance of (SUCH) *the license*, and, when in their opinion the public interest requires it, revoke the (SAME) *license*. They may license the sale of soft drinks and soft drink vending machines and may fix the price and duration of (SUCH) *the licenses* and when in their opinion the public interest requires it, revoke the (SAME) *license*. Within any platted residential area of the town they may license and regulate the presence or keeping of dogs or domestic animal pets and may regulate or prohibit the discharge of firearms, when deemed to be in the public interest.

Sec. 19. Minnesota Statutes 1982, section 366.01, subdivision 3, is amended to read:

Subd. 3. They may appropriate out of the general fund of the town and draw orders on the treasurer for the disbursement of money to pay the annual dues in the Minnesota (UNIT OF THE NATIONAL ASSOCIATION OF TOWNSHIP OFFICERS) *association of townships* or a county unit that belongs to the (MINNESOTA UNIT) *state association* and the actual and necessary expenses of (SUCH DELEGATES AS THE TOWN BOARD MAY DESIGNATE TO ATTEND MEETINGS OF ANY SUCH ASSOCIATION) *township officers for meetings relating to town business including meetings of township associations.*

Sec. 20. Minnesota Statutes 1982, section 366.01, subdivision 4, is amended to read:

Subd. 4. They may select and designate a bank as the depository of town money for a time not extending beyond their

official term, on the execution by such bank of a sufficient bond to the town (, IN DOUBLE THE SUM DEPOSITED,) to be approved by the board and filed in the office of the town clerk, and thereupon may require the treasurer to deposit all or any part of the town money in such bank. Such designation shall be in writing, and set forth all the terms and conditions upon which the deposits are made, be signed by the chairman and clerk, and filed with the clerk. The town treasurer shall not be liable for the loss of money while so deposited, and all interest thereon shall belong to the town.

Sec. 21. Minnesota Statutes 1982, section 366.01, subdivision 7, is amended to read:

Subd. 7. (THE BOARD OF SUPERVISORS SHALL HAVE POWER TO) *They may provide for the prosecution or defense of actions at law or other proceedings in which the township may be interested, and (IT) they may employ counsel for the purpose. Nothing contained (HEREIN) in this subdivision shall limit any powers conferred on (TOWNSHIP) town boards of supervisors by any other provision of law.*

Sec. 22. Minnesota Statutes 1982, section 366.01, is amended by adding a subdivision to read:

*Subd. 8. They shall designate one or more places in the town as public places at which legal notices shall be posted, and provide facilities for posting notices at the places; provided, that in a town in which is located within the geographical limits a city, one or more notices may be posted in the city. The town board may waive the posted notice requirements of any law but shall then instead provide for notice to be published once each week for two successive weeks in a newspaper of general circulation in the town.*

Sec. 23. Minnesota Statutes 1982, section 366.01, is amended by adding a subdivision to read:

*Subd. 9. They may sell and convey or lease real or personal property belonging to the town, not conveyed to and required to be held by the town for a special purpose.*

Sec. 24. Minnesota Statutes 1982, section 366.01, is amended by adding a subdivision to read:

*Subd. 10. They may declare that a violation of an ordinance shall be a penal offense and may prescribe the penalties for violations, except as otherwise provided by law. No penalty shall exceed that which is provided by law for a misdemeanor, but the costs of prosecution may be added.*

Sec. 25. Minnesota Statutes 1982, section 366.015, is amended to read:

## 366.015 [VOTE REQUIRED ON WEED DESTRUCTION.]

Subdivision 1. [BALLOT, CONTENTS.] The town board at the annual town meeting may submit to a vote by ballot the following question: "Shall persons owning or occupying real estate adjoining a town road and not a part of (ANY) an incorporated municipality be required to *remove rocks in excess of five inches in diameter from and to* cut, destroy or remove all weeds (AND), grass and other plants of up to three inches in diameter growing upon the town road adjacent to their land? Yes . . . . . No . . . . ."

Subd. 2. [COST, LIEN ON LAND.] If a majority of the electors voting on (SUCH) *the* question (SHALL) vote "Yes," (ANY) a person owning or occupying real estate adjoining a town road and not a part of (ANY) an incorporated municipality shall cut, destroy or remove (ALL WEEDS OR GRASS GROWING) *the material described on the ballot located* upon the town road adjacent to his land. (ANY) A person who erects or maintains a mail-box on land not owned by him shall cut, destroy or remove (ALL WEEDS OR GRASS) *the material* within five feet of such mail-box. If any such person fails to comply with this provision, the town board of the town in which his real estate is located may, after ten days notice in writing, order the local weed inspector or other person to cut, destroy or remove the weeds or grass and the expense thus incurred shall be a lien on such real estate. The town board shall certify to the county auditor an itemized statement of the amount of the expense paid by the town and the county auditor shall enter such amount on the tax books as a tax upon the land, which shall be collected in the same manner as other real estate taxes.

Sec. 26. Minnesota Statutes 1982, section 366.07, is amended to read:

## 366.07 [TREASURER MAY SELECT DEPOSITORY.]

If the town board (SHALL REFUSE) *refuses* or (FAIL) *fails* to act, as provided in section (366.06) *366.01, subdivision 4*, within 30 days after the annual town meeting, the treasurer shall select one or more depositories (, NOT EXCEEDING FOUR IN NUMBER,) for the *deposit and the safekeeping* of town funds and deposit town funds (THEREIN,) in the name of the town, (TO THE EXTENT OF NOT MORE THAN \$10,000 IN EACH DEPOSITORY SO SELECTED WITHOUT REQUIRING SECURITY THEREFOR, PROVIDING THAT SUCH BANK IS INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION) *obtaining security for the funds as provided in section 366.01, subdivision 4.*

Sec. 27. [366.095] [FINANCING PURCHASE OF CERTAIN EQUIPMENT.]

*The town board may issue certificates of indebtedness within the existing debt limits for the purpose of purchasing fire or police equipment or ambulance equipment or street construction or maintenance equipment. The certificates shall be payable in not more than five years and shall be issued on the terms and in the manner as the board may determine. If the amount of the certificates to be issued to finance the purchase exceeds one percent of the assessed valuation of the town, excluding money and credits, they shall not be issued for at least ten days after publication in a newspaper of general circulation in the town of the board's resolution determining to issue them; and if before the end of that time, a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular town election is filed with the clerk, the certificates shall not be issued until the proposition of their issuance has been approved by a majority of the votes cast on the question at a regular or special election. A tax levy shall be made for the payment of the principal and interest on the certificates as in the case of bonds.*

Sec. 28. Minnesota Statutes 1983 Supplement, section 366.20, is amended to read:

**366.20 [MEETINGS.]**

The town board shall constitute a board of audit and shall meet each year, on (THE TUESDAY PRECEDING THE ANNUAL TOWN MEETING) a date fixed by the town board, for the purpose of auditing and settling all charges against the town. All unpaid accounts of town officers for services rendered since the last annual meeting of the board shall be presented at the meeting. It may also meet at any other times for the purpose of auditing and settling charges against the town. No allowance of any account shall be made which does not specifically itemize the account. (IF ANY SUPERVISOR FAILS TO ATTEND, THE REMAINING SUPERVISORS SHALL FILL THE VACANCY BY APPOINTMENT. IF THEY ARE UNABLE TO AGREE, THE SENIOR COUNTY OR MUNICIPAL COURT JUDGE HAVING JURISDICTION OVER THE TOWN SHALL FILL THE VACANCY BY APPOINTMENT. THE PERSON APPOINTED MUST BE A RESIDENT OF THE TOWN) A quorum for transacting business by the board of audit shall be the same as for the board of supervisors.

Sec. 29. Minnesota Statutes 1982, section 367.02, is amended to read:

**367.02 [RESIGNATIONS.]**

The town board, for sufficient cause shown to it, (MAY) shall accept the resignation of any town officer, in which case the board shall forthwith give notice thereof to the town clerk.



Sec. 30. Minnesota Statutes 1982, section 367.05, subdivision 1, is amended to read:

**367.05 [COMPENSATION; TOWN OFFICERS AND EMPLOYEES.]**

Subdivision 1. ([ASSESSORS.] THE TOWN ASSESSORS, EXCEPT IN TOWNS WHEREIN SPECIAL LAWS SET THE SALARY AND COMPENSATION OF THE ASSESSOR, SHALL BE COMPENSATED IN AN AMOUNT TO BE DETERMINED BY THE TOWN BOARD. THE TOWN BOARD IS ALSO AUTHORIZED TO REIMBURSE ANY TOWN ASSESSOR FOR EXPENSES AND MILEAGE) *The town board shall set the compensation of supervisors, town assessors, the treasurer, clerk, deputy clerk, if one is employed, the road overseer, and other employees of the town in an amount to be determined by the town board. In addition to the compensation provided pursuant to this section, supervisors, assessors, treasurers, clerks, deputy clerks, road overseers, and other employees of the town shall be entitled to mileage for the use of the person's own automobile at a rate to be determined by the town board for each mile necessarily traveled on official town business. The town board may fix the hours of employment for town employees, and reimburse a town assessor for expenses.*

Sec. 31. Minnesota Statutes 1982, 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) *beginning the* duties of (HIS) *the* office, shall give bond to the town (, WITH SURETIES APPROVED BY THE TOWN TREASURER, IN SUCH PENAL SUM AS) *in an amount to be determined by the town board (DIRECTS),* conditioned for the faithful discharge of (HIS) *the* duties of clerk. The bond, with (HIS) *the* oath of office, shall be filed with the county auditor (, AND AN ACTION MAY BE MAINTAINED THEREON BY THE TOWN OR ANY PERSON AGGRIEVED).

Sec. 32. Minnesota Statutes 1983 Supplement, section 367.11, is amended to read:

**367.11 [DUTIES.]**

It shall be the duty of the town clerk:

(1) to act as clerk of the town board, and to keep in his office a true record of all of its proceedings;

(2) unless otherwise provided by law, to have the custody of the records, books, and papers of the town, and to file and safely keep all papers required by law to be filed in his office;

(3) to record minutes of the proceedings of every town meeting in the book of town records, and to enter in them at length every order or direction and all rules and regulations made by the town meeting;

(4) to file and preserve all accounts audited by the town board or allowed at a town meeting, and to enter a statement of them in the book of records;

(5) to transmit to the clerk of the district court, immediately after the election of any town constable, a written notice stating the name of the person elected; the term for which he was elected; if elected to fill a vacancy, the name of the last incumbent of the office; and after a constable is qualified, and, upon the resignation of a constable, to immediately notify the clerk;

(6) to record every request for any special vote or special town meeting, and properly post the requisite notices of them;

(7) to post, as required by law, fair copies of all bylaws made by the town, and enter, over his signature, in the town records, the time when and the places where they were posted *and keep an ordinance book in which shall be recorded in full all ordinances passed by the town board;*

(8) to furnish to the annual meeting of the town board of audit every statement from the county treasurer of money paid to the town treasurer, and all other information about fiscal affairs of the town in his possession, and all accounts, claims, and demands against the town filed with him; and

(9) to perform any other duties required by law.

Sec. 33. Minnesota Statutes 1982, section 367.15, is amended to read:

**367.15 [TOWN TREASURER; BOND.]**

Every town treasurer, before (HE ENTERS UPON) *beginning* the duties of (HIS) *the* office, shall give bond to the town in an amount to be determined by the board, conditioned for the faithful discharge of (HIS) *the* duties (AS SUCH) of treasurer. (WITHIN SIX DAYS THEREAFTER THE CHAIRMAN SHALL FILE SUCH BOND, WITH HIS APPROVAL ENDORSED THEREON,) *The bond shall be filed* for record with the county auditor.

Sec. 34. Minnesota Statutes 1982, section 367.19, is amended to read:

367.19 [ORDER OF PAYMENT; INTEREST.]

Town orders shall bear interest at the rate (OF NOT TO EXCEED SIX PERCENT) *provided in section 475.55* from the date when presented to the treasurer for payment, and shall be paid in the order in which they are registered, out of the first money that comes into the treasurer's hands for that purpose.

Sec. 35. Minnesota Statutes 1982, section 367.23, is amended to read:

367.23 [BONDS, HOW EXECUTED.]

Every bond required of a town officer shall be executed to the town by its name and, when no other provision is made, shall be in a sum fixed by the town board; and, if none (BE) is fixed, then in the sum of the bond of the last incumbent of the office. Every bond shall be approved by the chairman (, IN WRITING THEREON,) and filed with the town clerk within the time prescribed for filing the oath of office, except the bonds of the clerk and the treasurer, which shall be filed with the (CLERK OF THE DISTRICT COURT AND THE COUNTY RECORDER, RESPECTIVELY) *county auditor*. Whenever the town board deems any bond insufficient, it may require an additional bond to be made and filed, in a sum, and within a time not less than ten days, to be fixed by it.

Sec. 36. Minnesota Statutes 1982, section 367.24, is amended to read:

367.24 [FEES AND DUTIES OF POUNDMASTERS.]

Poundmasters shall be allowed fees (AS FOLLOWS) *in amounts as determined by the town board for the following:*

(1) (FOR) Taking animals into the pound and discharging (THE SAME:) *them;*

((A) SHEEP, THREE CENTS EACH,)

((B) HOGS, FIVE CENTS EACH,)

((C) ALL OTHER ANIMALS, TEN CENTS EACH;)

(2) Keeping animals in pound (, 20 CENTS FOR EACH 24 HOURS); *and*

(3) (FOR) Selling impounded animals (, TWO PERCENT OF THE AMOUNT OF SALE).

The poundmaster shall have a lien on impounded animals for his fees, which shall be paid before such animals are discharged. If not discharged within four days, they shall be advertised by the poundmaster for sale at public auction to the highest bidder, at the place where impounded, upon 15 days' posted notice. At the time and place fixed by the notice the poundmaster shall sell the same pursuant thereto. Out of the moneys received from such sale he shall deduct his fees and charges, and pay the balance to the chairman of the town board and, at the same time, deliver to the chairman a correct written description of each animal sold and a statement of the amount received for the same. He shall take duplicate receipts therefor, one of which shall be filed with the clerk. If the owner of any animal so sold appears within (SIX MONTHS) 30 days, the money received by the chairman shall be paid to him. If not claimed within that time, it shall be paid into the town treasury.

Sec. 37. Minnesota Statutes 1982, section 367.30, subdivision 2, is amended to read:

Subd. 2. [OPTION B; APPOINTMENT OF CLERK AND TREASURER.] Any town may provide for the appointment by the town board of its clerk (AND) *or* treasurer, *or both*, *or* clerk-treasurer, as hereinafter provided for in Laws 1975, Chapter 274. This option shall be referred to as option B.

Sec. 38. Minnesota Statutes 1982, section 367.31, subdivision 6, is amended to read:

Subd. 6. [ABANDONMENT OF OPTIONS; THREE-YEAR LIMITATION.] At any time more than three years after the adoption of an option, the question of abandonment of the option may be submitted to the electors, in the same manner as provided for the submission of the question of adoption, except that in the statement of the question on the ballot, the word "abandoned" shall be substituted for the word "adopted". If a majority of the votes cast on the question is in favor of abandonment, the plan shall be abandoned. Subject to the provisions for transition back to the regular form of town government, the form of town government existing prior to adoption of the abandoned option shall be resumed in the town. (OPTION A SHALL NOT BE ABANDONED IN ANY TOWN EXERCISING THE POWERS OF A STATUTORY CITY PURSUANT TO SECTION 368.01 OR PURSUANT TO A SPECIAL LAW GRANTING SUBSTANTIALLY SIMILAR POWERS.)

Sec. 39. Minnesota Statutes 1982, section 368.01, subdivision 1, is amended to read:

Subdivision 1. [TOWNS DESCRIBED.] Any town having therein platted portions in which there reside 1,200 or more

people or any towns having platted 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 enumerated in this section. The town board thereof may adopt, amend, or repeal ordinances (,) and rules (, AND BYLAWS) for any purposes enumerated as it deems expedient.

Sec. 40. Minnesota Statutes 1982, section 368.01, subdivision 1a, is amended 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 or *special census or population estimate as provided in section 44* 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. 41. Minnesota Statutes 1982, section 368.01, subdivision 21, is amended to read:

Subd. 21. [ENACTMENT OF ORDINANCES.] Every ordinance shall be enacted by a majority vote of all the members of the town board except where a larger number is required by law. It shall be signed by the chairman of the town board, attested by the clerk and published once in (THE OFFICIAL) a *qualified newspaper having general circulation within the town*. If the town board determines that publication of the title and a summary of an ordinance would clearly inform the public of the intent and effect of the ordinance, the town board may by a *two-thirds vote of its members, or a four-fifths vote (OF ITS MEMBERS) in a town having a five-member board* direct that only the title of the ordinance and a summary be published with notice that a printed copy of the ordinance is available for inspection by any person during regular office hours of the town clerk and any other location which the town board designates. A copy of the entire text of the ordinance shall be posted in the community library, if there is one, or if not, in any other public location which the town board designates. (PRIOR TO) *Before* the publication of the title and summary the town board shall approve the text of the summary and determine that it clearly informs the public of the intent and effect of the ordinance. The publishing of the title and summary shall be deemed to fulfill all legal publication requirements as completely as if the entire ordinance had been published. The text of the summary shall be published in a body type no smaller than brevier or eight-point type, as defined in section 331.07. Proof of the publication shall be attached to and filed with the ordinance. Every ordinance shall be recorded in the ordinance book within 20 days after publication of the ordinance or its title and summary. All ordinances shall be suitably entitled and shall be substantially in the style: "the Town Board of Supervisors ..... ordains:".

Sec. 42. Minnesota Statutes 1982, section 368.01, subdivision 22, is amended to read:

Subd. 22. [PENALTIES.] The town board of supervisors shall have the power to declare that the violation of any ordinance shall be a penal offense and to prescribe penalties therefor. No (SUCH) penalty shall exceed (A FINE OF \$300 OR IMPRISONMENT IN A STATUTORY CITY OR COUNTY JAIL FOR A PERIOD OF 90 DAYS, OR BOTH) *that which is provided by law for a misdemeanor*, but (IN EITHER CASE) the costs of prosecution may be added.

Sec. 43. Minnesota Statutes 1982, section 368.01, subdivision 26, is amended to read:

Subd. 26. [FINES AND PENALTIES.] All fines, forfeitures, and penalties recovered for the violation of any *statute or ordinance to which the town is entitled by law* shall be paid into the town treasury. Every court or officer receiving (SUCH MONEYS) *money for the violation*, shall (MAKE) return (THEREOF) *it* under oath (ON OR BEFORE THE TENTH DAY AFTER THE LAST DAY OF THE MONTH DURING WHICH THE MONEYS WERE RECEIVED) *in accordance with law*, and be entitled to duplicate receipts for the amounts paid. One of the receipts shall be filed with the town clerk.

Sec. 44. [368.015] [TOWNS; CENSUS.]

*The town board of a town may, in any year, request the state demographer to take a special census of the town or make an estimate of the population of the town for the purpose of being eligible to exercise the powers contained in section 368.01 as provided in section 368.01, subdivision 1a. A cost for the special census or estimate shall be borne by the town.*

Sec. 45. Minnesota Statutes 1982, section 368.121, is amended to read:

368.121 [EMPLOYMENT OF ATTORNEY; FEES.]

The *town* board of (SUPERVISORS IN) any town may employ an attorney and pay up to (\$5,000) *\$15,000* in attorney's fees annually without an affirmative vote of or approval by the electors of the town.

Sec. 46. Minnesota Statutes 1982, section 450.19, is amended to read:

450.19 [TOURIST CAMPING GROUNDS.]

All cities and towns in the state are hereby authorized and empowered to establish and maintain public tourist camping

grounds and the council or other legislative or governing body thereof is hereby empowered to acquire, by lease, purchase, or by gift, suitable lands located either within or without the corporate limits for use as public tourist camping grounds and to provide for the equipment, operation, and maintenance of the same. (THE AMOUNT EXPENDED FOR THE ACQUISITION OF PUBLIC TOURIST CAMPING GROUNDS SHALL NOT EXCEED THE SUM OF \$6,000.) The amount that may be expended for the maintenance, improvement, or operation of tourist camping grounds shall not exceed, in any one year, a sum equal to the amount which may be raised by a one-third of one mill tax upon the taxable property of the municipality (AND IN NO EVENT TO EXCEED THE SUM OF \$5,000 PER ANNUM).

Sec. 47. Minnesota Statutes 1982, section 624.51, is amended to read:

**624.51 [HOURS.]**

No public dance shall be held or conducted between the hours of one o'clock and six o'clock a.m., of any day; provided, that no public dance shall be held or conducted on Sunday between the hours of one o'clock a.m. and 12 o'clock noon thereof. In all other cases the public authorities issuing the permit herein provided for may, if they so desire, fix the hours within which public dances may be held, not inconsistent herewith, and shall also have authority, by ordinance (,) or resolution, (OR BY-LAW,) to regulate or to prohibit the same on Sunday, within the limits of the city or territory within which such public authorities may grant permits for public dancing as herein provided.

**Sec. 48. [REPEALER.]**

*Minnesota Statutes 1982, sections 365.105; 365.106; 365.12; 366.06; 367.035; 367.05, subdivision 2; 368.01, subdivisions 17 and 28; 368.02; 368.03; 368.04; 368.05; 368.06; 368.07; 368.08; 368.09; 368.10; 368.11; and 368.86, are repealed."*

Delete the title and insert:

"A bill for an act relating to local government; providing for the conduct of the business of towns; providing for certain town debt; revising various other town laws; providing penalties; amending Minnesota Statutes 1982, sections 6.54, as amended; 6.55; 117.011; 160.02, subdivision 6; 160.05, subdivision 1; 160.17, subdivisions 1 and 2; 164.06; 164.11; 164.14, by adding a subdivision; 340.14, subdivision 5; 365.10; 365.15; 365.37; 365.53; 366.01, subdivisions 2, 3, 4, 7, and by adding subdivisions; 366.015; 366.07; 367.02; 367.05, subdivision 1; 367.10; 367.15; 367.19; 367.23; 367.24; 367.30, subdivision 2; 367.31, subdivision 6; 368.01, subdivisions 1, 1a, 21, 22, and 26; 368.121;

450.19; and 624.51; Minnesota Statutes 1983 Supplement, sections 365.52; 366.20; and 367.11; proposing new law coded in Minnesota Statutes, chapters 365; 366; and 368; repealing Minnesota Statutes 1982, sections 365.105; 365.106; 365.12; 366.06; 367.035; 367.05, subdivision 2; 368.01, subdivisions 17 and 28; 368.02; 368.03; 368.04; 368.05; 368.06; 368.07; 368.08; 368.09; 368.10; 368.11; and 368.86."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2186, A bill for an act relating to public finance; providing for allocation of federal authority to issue certain state and local obligations; amending Minnesota Statutes 1982, sections 116J.42, by adding a subdivision; 273.77; 429.091, by adding a subdivision; 430.12; and 472.09, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapters 458; 459; 462; 474; and 475.

Reported the same back with the following amendments:

Page 10, line 34, delete "*which shall be the product of*" and insert "*The amount of authority for an issuer is*"

Page 10, line 36, delete "*times*" and insert "*multiplied by*"

Page 10, line 36, after "*fraction*" insert a period

Page 10, line 36, delete "*which*" and insert "*the fraction*"

Page 10, line 36, after the second "*the*" insert "*highest three-year*"

Page 11, line 1, delete "*, and*" and insert a period

Page 11, line 2, delete "*which*" and insert "*the fraction*"

Page 11, line 2, after "*combined*" insert "*highest three-year*"

Page 11, line 6, after the period insert "*In such cases the amount of the issuance authority to be allocated to each issuer shall be determined by the city council in the case of a city or the county board in the case of a county.*"



Page 11, line 14, after the third "of" insert "*its remaining unused*"

Page 11, line 18, after "*portion*" insert "*not already used and*"

Page 11, line 19, delete "*canceled*" and insert "*cancelled*"

Page 11, line 22, delete "*November 30*" and insert "*October 31*"

Page 11, line 36, delete "*November 30*" and insert "*October 31*"

Page 12, line 3, delete "*amoung*" and insert "*among*"

Page 12, line 9, delete "*October*" and insert "*September*"

Page 13, line 15, delete "*2/100*" and insert "*two*"

Page 13, line 16, delete "*\$1,000*" and insert "*\$100,000*"

Page 13, line 35, delete "*, and the project site does not*" and insert "*. To qualify under this clause the project need not*"

Page 13, line 36, delete "*have to*"

Page 14, line 2, after "*for*" insert "*the additional*"

Page 14, line 3, delete "*or state energy conservation*" and insert "*investment*"

Page 14, line 3, after "*credits*" insert "*for energy property*"

Page 14, line 30, after "*submitted*" insert "*either (a)*"

Page 14, line 34, before the period insert "*or (b) the project is an expansion of the operations of an existing business which is not likely to result in the transferring of existing employment from one or more other municipalities within the state to the municipality in which the project is located*"

Page 15, line 1, delete "*Ninety*" and insert "*Seventy-five*"

Page 15, line 5, delete "*project*" and insert "*bond issue*"

Page 15, line 17, delete "*and (ii)*" and insert "*(ii) any project which is authorized by chapter 115A, chapter 400, or sections 473.801 to 473.834, shall receive an allocation of issuance authority without regard to its numerical rank to the extent that the amount of issuance authority allocated to the project when*"

*added to the issuance authority previously allocated during the calendar year pursuant to this clause does not exceed 50 percent of the amount provided in subdivision 1, and (iii)"*

Page 15, line 33, delete "canceled" and insert "cancelled"

Page 16, line 4, delete the first "December" and insert "November"

Page 16, line 15, delete "November" and insert "October"

Page 16, line 22, delete "December" and insert "November"

Page 16, line 24, delete "December" and insert "November"

Page 16, line 25, delete "November" and insert "October"

Page 18, after line 13, insert:

"Sec. 18. [REPEALER.]

*This act is repealed effective August 1, 1985."*

Renumber the remaining section

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2218, A bill for an act relating to public finance; authorizing additional investment alternatives; providing for the delivery of municipal obligations in certificated or uncertificated form; providing restrictions on the use of certain data; providing a formula for determining limitations on interest rates on municipal obligations; providing an alternative procedure for conducting a public sale of municipal obligations; amending Minnesota Statutes 1982, sections 471.56, by adding a subdivision; 475.55, subdivisions 1, 4, and by adding a subdivision; 475.60, subdivision 3, and by adding a subdivision; repealing Minnesota Statutes 1982, sections 475.71; and 475.76, subdivision 5.

Reported the same back with the following amendments:

Page 1, line 23, delete "purchase or"

Page 1, line 24, delete "*equal and opposite*" and "*positions*" and "*or sold*"

Page 4, line 19, delete "*five*" and insert "*four*"

Page 4, line 22, delete "*officer or agent*" and insert "*municipality*"

Page 5, line 10, after "*the*" insert "*future*"

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. 2245, A bill for an act relating to crimes; prohibiting the purchase or sale of human organs; amending Minnesota Statutes 1982, section 145.422, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 10, after "*or*" insert "*nonrenewable*"

Page 1, line 17, after "*of the*" insert "*nonrenewable*"

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. 2257, A bill for an act relating to state departments and agencies; requiring senate approval for the governor's appointment of state planning director; amending Minnesota Statutes 1983 Supplement, section 116K.02, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Pursuant to House Rule No. 9.3, H. F. No. 2257 was re-referred to the Committee on Rules and Legislative Administration.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2303, A bill for an act relating to state monuments; adding the Roy Wilkins State Monument to the list of state monuments; appropriating money; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

S. F. No. 887, A bill for an act relating to transportation; providing for the inclusion of former municipal state-aid streets in the county state-aid highway system; amending Minnesota Statutes 1982, section 162.02, subdivision 1, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

S. F. No. 1418, A bill for an act relating to public welfare; authorizing the alcohol and drug abuse section of the department of public welfare to collect certain information; establishing an American Indian advisory council relating to chemical dependency policies; clarifying the evaluation functions of the commissioner of public welfare with respect to chemical dependency policies; amending Minnesota Statutes 1982, sections 254A.03; 254A.05, subdivision 1; 254A.07; 254A.16, subdivisions 1 and 2; and proposing new law coded in Minnesota Statutes, chapter 254A.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

S. F. No. 1455, A bill for an act relating to health; exempting schools from license fee requirements of the department of health; exempting certain places of lodging from licensing requirements of the department; amending Minnesota Statutes 1982, sections 157.03 and 157.14.

Reported the same back with the following amendments:

Pages 3 and 4, delete section 2

Amend the title as follows:

Page 1, line 3, delete "exempting"

Page 1, delete line 4

Page 1, line 5, delete "of the department;"

Page 1, line 6, delete "Sections" and insert "Section"

Page 1, line 6, delete "and 157.14"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 499, 1010, 1302, 1393, 1406, 1499, 1578, 1835, 1886, 1892, 1982, 2012, 2047, 2062, 2070, 2185, 2186, 2218 and 2245 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 887, 1418 and 1455 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Clawson, Swanson and Wynia introduced:

H. F. No. 2305, A bill for an act relating to public welfare; specifying procedures of the moratorium on nursing home or boarding care beds; limiting state or county funds to certified

facilities except under certain conditions; disallowing medical assistance to nursing homes whose practices are prohibited; providing general assistance to eligible persons in licensed facilities; amending Minnesota Statutes 1982, sections 256B.25; 256D.06, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 144A.071, subdivision 2; and 256B.48, subdivision 1, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Appropriations.

Sherman, Swanson, Dempsey, Ogren and Johnson introduced:

H. F. No. 2306, A bill for an act relating to the city of Winona; appropriating money for boat access to the Mississippi River.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Gruenes, Brinkman, Marsh, Omann and Bergstrom introduced:

H. F. No. 2307, A bill for an act relating to taxation; providing temporary sales tax exemptions for certain paper processing plants; proposing new law coded in Minnesota Statutes, chapter 297A.

The bill was read for the first time and referred to the Committee on Taxes.

Gruenes, Bergstrom, Marsh, Omann and Brinkman introduced:

H. F. No. 2308, A bill for an act relating to taxation; providing temporary property tax and sales tax exemptions for certain paper processing facilities; amending Minnesota Statutes 1983 Supplement, section 272.02, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 297A.

The bill was read for the first time and referred to the Committee on Taxes.

Sarna introduced:

H. F. No. 2309, A bill for an act relating to local police and salaried firefighters relief associations; providing a supplemental medical allowance and group health insurance; proposing new law coded in Minnesota Statutes, chapter 423A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

## HOUSE ADVISORIES

The following House Advisory was introduced:

Rodriguez, F., and McEachern introduced:

H. A. No. 57, A proposal to study the effects of desegregation plans on children's attendance at neighborhood schools.

The advisory was referred to the Committee on Education.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1760, 1770, 1810 and 1927.

PATRICK E. FLAHAVER, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1760, A bill for an act relating to governmental operations; requesting the regents of the University of Minnesota to conduct a job evaluation study and report to the legislature.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1770, A bill for an act relating to the city of Duluth; changing the boundaries of the tracts of land administered by the Spirit Mountain recreation area authority; amending Laws 1973, chapter 327, section 2, subdivision 1.

The bill was read for the first time.

Gustafson moved that S. F. No. 1770 and H. F. No. 2131, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1810, A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy non-renewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amend-

ing Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

The bill was read for the first time.

Riveness moved that S. F. No. 1810 and H. F. No. 1859, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1927, A bill for an act relating to St. Louis County; establishing positions in the unclassified civil service; amending Laws 1941, chapter 423, section 6, as amended.

The bill was read for the first time.

Elioff moved that S. F. No. 1927 and H. F. No. 1913, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Clark, K., was excused for the remainder of today's session.

#### CONSENT CALENDAR

S. F. No. 1757 was reported to the House.

Welch moved to amend S. F. No. 1757, the first engrossment, as follows:

Page 1, line 12, after "*any*" insert "*earth-coupled*"

Page 1, line 13, after "*system*" delete the comma

Page 1, line 14, after "*ground*" delete the comma

Amend the title as follows:

Page 1, line 5, after "*coded*" delete "*in*" and insert "*as*"

Page 1, line 6, after "*chapter*" delete "*156A*" and insert "*156A.11*"

The motion prevailed and the amendment was adopted.

S. F. No. 1757, A bill for an act relating to water well contractors; licensing and regulating use of vertical heat exchangers; amending Minnesota Statutes 1982, section 156A.02, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 156A.



The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 96 yeas and 16 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Krueger	Pauly	Skoglund
Anderson, G.	Forsythe	Larsen	Peterson	Solberg
Battaglia	Graba	Levi	Piepho	Sparby
Beard	Greenfield	Long	Piper	Stadum
Begich	Gustafson	Marsh	Quinn	Staten
Bennett	Gutknecht	McEachern	Quist	Swanson
Bergstrom	Halberg	McKasy	Redalen	Tomlinson
Bishop	Haukoos	Metzen	Reif	Tunheim
Blatz	Heap	Munger	Riveness	Valento
Boo	Heinitz	Murphy	Rodosovich	Vanasek
Brandl	Hoffman	Nelson, D.	Rodriguez, C.	Vellenga
Carlson, D.	Hokr	Nelson, K.	Rodriguez, F.	Welch
Carlson, L.	Jacobs	Neuenschwander	St. Onge	Welle
Clark, J.	Jennings	Norton	Sarna	Wenzel
Clawson	Jensen	Ogren	Schreiber	Wynia
Cohen	Johnson	Olsen	Seaberg	Speaker Sieben
Coleman	Kahn	Omann	Segal	
Dimler	Kelly	Onnen	Shea	
Eken	Knickerbocker	Osthoff	Sherman	
Ellingson	Kostohryz	Otis	Simoneau	

Those who voted in the negative were:

Dempsey	Fjoslien	Mann	Thiede	Welker
DenOuden	Frerichs	McDonald	Uphus	Wigley
Erickson	Ludeman	Sviggum	Waltman	Zaffke
Findlay				

The bill was passed, as amended, and its title agreed to.

H. F. No. 427 was reported to the House.

There being no objection H. F. No. 427 was continued on the Consent Calendar for one day.

H. F. No. 1633, A bill for an act relating to metropolitan government; allowing the mosquito control district to take certain actions; amending Minnesota Statutes 1982, section 473.704, subdivision 17.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 117 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Kostohryz	Pauly	Sparby
Anderson, G.	Fjoslien	Krueger	Peterson	Stadum
Battaglia	Forsythe	Larsen	Piepho	Staten
Beard	Frerichs	Levi	Piper	Sviggum
Begich	Graba	Long	Quinn	Swanson
Bennett	Greenfield	Ludeman	Quist	Thiede
Bergstrom	Gruenes	Mann	Redalen	Tomlinson
Bishop	Gustafson	Marsh	Reif	Tunheim
Blatz	Gutknecht	McDonald	Riveness	Uphus
Boo	Halberg	McEachern	Rodosovich	Valan
Brandl	Haukoos	McKasy	Rodriguez, C.	Valento
Brinkman	Heap	Metzen	Rodriguez, F.	Vanasek
Burger	Heinitz	Munger	Rose	Vellenga
Carlson, D.	Himle	Murphy	St. Onge	Waltman
Carlson, L.	Hoffman	Nelson, D.	Sarna	Welch
Clark, J.	Hokr	Nelson, K.	Schafer	Welker
Clawson	Jacobs	Neuenschwander	Schreiber	Welle
Cohen	Jennings	Norton	Seaberg	Wenzel
Coleman	Jensen	Ogren	Segal	Wigley
Dempsey	Johnson	Olsen	Shca	Wynia
DenOuden	Kahn	Omann	Sherman	Speaker Sieben
Eken	Kelly	Onnen	Simoneau	
Erickson	Knickerbocker	Osthoff	Skoglund	
Evans	Knuth	Otis	Solberg	

The bill was passed and its title agreed to.

H. F. No. 1911, A bill for an act relating to state lands; authorizing the sale of a certain lakeshore property in Kandiyohi 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 122 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Dempsey	Himle	Mann	Peterson
Anderson, G.	DenOuden	Hoffman	Marsh	Piepho
Battaglia	Dimler	Hokr	McDonald	Price
Beard	Eken	Jacobs	McEachern	Quinn
Begich	Ellingson	Jennings	McKasy	Quist
Bennett	Erickson	Jensen	Metzen	Redalen
Bergstrom	Evans	Johnson	Munger	Reif
Bishop	Findlay	Kahn	Murphy	Riveness
Blatz	Fjoslien	Kalis	Nelson, D.	Rodosovich
Boo	Forsythe	Kelly	Nelson, K.	Rodriguez, C.
Brandl	Frerichs	Knickerbocker	Neuenschwander	Rodriguez, F.
Brinkman	Greenfield	Knuth	Norton	Rose
Burger	Gruenes	Kostohryz	Ogren	St. Onge
Carlson, D.	Gustafson	Krueger	Olsen	Sarna
Carlson, L.	Gutknecht	Kvam	Omann	Schafer
Clark, J.	Halberg	Larsen	Onnen	Scheid
Clawson	Halcoos	Levi	Osthoff	Schreiber
Cohen	Heap	Long	Otis	Seaberg
Coleman	Heinitz	Ludeman	Pauly	Segal

Shea	Stadum	Tunheim	Waltman	Wynia
Sherman	Staten	Uphus	Welch	Zaffke
Simoneau	Sviggum	Valan	Welker	Speaker Sieben
Skoglund	Swanson	Valento	Welle	
Solberg	Thiede	Vanasek	Wenzel	
Sparby	Tomlinson	Vellenga	Wigley	

Those who voted in the negative were:

Piper

The bill was passed and its title agreed to.

H. F. No. 1778, A bill for an act relating to environment; changing the date by which the pollution control agency must adopt an acid deposition standard for acid deposition in certain sensitive areas; amending Minnesota Statutes 1982, section 116.44, 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Knuth	Otis	Skoglund
Anderson, C.	Findlay	Kostohryz	Pauly	Solberg
Battaglia	Fjoslien	Krueger	Peterson	Sparby
Beard	Forsythe	Kvam	Piepho	Stadum
Begich	Frerichs	Larsen	Piper	Staten
Bennett	Graba	Levi	Price	Sviggum
Bergstrom	Greenfield	Long	Quinn	Swanson
Bishop	Gruenes	Ludeman	Quist	Thiede
Blatz	Gustafson	Mann	Redalen	Tomlinson
Boo	Gutknecht	Marsh	Reif	Tunheim
Brandl	Halberg	McDonald	Riveness	Uphus
Brinkman	Haukoos	McEachern	Rodosovich	Valan
Burger	Heap	McKasy	Rodriguez, C.	Valento
Carlson, D.	Heinitz	Metzen	Rodriguez, F.	Vanasek
Carlson, L.	Himle	Munger	Rose	Vellenga
Clark, J.	Hoffman	Murphy	St. Onge	Waltman
Clawson	Hokr	Nelson, D.	Sarna	Welch
Cohen	Jacobs	Nelson, K.	Schafer	Welker
Coleman	Jennings	Neuenschwander	Scheid	Welle
Dempsey	Jensen	Norton	Schreiber	Wenzel
DenOuden	Johnson	Ogren	Seaberg	Wigley
Dimler	Kahn	Olsen	Segal	Wynia
Eken	Kalis	Omann	Shea	Zaffke
Ellingson	Kelly	Onnen	Sherman	Speaker Sieben
Erickson	Knickerbocker	Osthoff	Simoneau	

The bill was passed and its title agreed to.

## CALENDAR

S. F. No. 1350, A bill for an act relating to courts; providing for court of appeal representation on the judicial board of standards and certain advisory committees; amending Minnesota Statutes 1982, sections 480.052; 480.059, subdivision 2; and Minnesota Statutes 1983 Supplement, section 490.15, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Knuth	Otis	Skoglund
Anderson, G.	Findlay	Kostohryz	Pauly	Solberg
Battaglia	Fjoslien	Krueger	Peterson	Sparby
Beard	Forsythe	Kvam	Piepho	Stadum
Begich	Frerichs	Larsen	Piper	Staten
Bennett	Graba	Levi	Price	Svigum
Bergstrom	Greenfield	Long	Quinn	Swanson
Bishop	Gruenes	Ludeman	Quist	Thiede
Blatz	Gustafson	Mann	Redalen	Tomlinson
Boo	Gutknecht	Marsh	Reif	Tunheim
Brandl	Halberg	McDonald	Riveness	Uphus
Brinkman	Haukoos	McEachern	Rodosovich	Valan
Burger	Heap	McKasy	Rodriguez, C.	Valento
Carlson, D.	Heinitz	Metzen	Rodriguez, F.	Vanasek
Carlson, L.	Himle	Munger	Rose	Vellenga
Clark, J.	Hoffman	Murphy	St. Onge	Waltman
Clawson	Hokr	Nelson, D.	Sarna	Welch
Cohen	Jacobs	Nelson, K.	Schafer	Welker
Coleman	Jennings	Neuenschwander	Scheid	Welle
Dempsey	Jensen	Norton	Schreiber	Wenzel
DenOuden	Johnson	Ogren	Seaberg	Wigley
Dimler	Kahn	Olsen	Segal	Wynia
Eken	Kalis	Omman	Shea	Zaffke
Eilingson	Kelly	Onnen	Sherman	Speaker Sieben
Erickson	Knickerbocker	Osthoff	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1562, A bill for an act relating to labor; providing for the prompt payment of commissions to commission sales persons who leave or lose their job; providing civil penalties for non-prompt payment; providing that wages can be promptly paid through the mail at the request of the employee or salesperson; amending Minnesota Statutes 1982, sections 181.13; and 181.14; proposing new law coded in Minnesota Statutes, chapter 181.

The bill was read for the third 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:

Anderson, G.	Fjoslien	Kostohryz	Otis	Sherman
Battaglia	Forsythe	Krueger	Pauly	Simoneau
Beard	Frerichs	Kvam	Peterson	Skoglund
Begich	Graba	Larsen	Piepho	Solberg
Bennett	Greenfield	Levi	Piper	Sparby
Bergstrom	Gruenes	Long	Price	Staten
Bishop	Gutknecht	Ludeman	Quinn	Swiggum
Blatz	Halberg	Mann	Quist	Swanson
Boo	Haukoos	Marsh	Tredalen	Tomlinson
Brandl	Heap	McDonald	Reif	Tunheim
Brinkman	Heinitz	McEachern	Riveness	Uphus
Burger	Himle	McKasy	Rodosovich	Valan
Carlson, D.	Hoffman	Metzen	Rodriguez, C.	Valento
Carlson, L.	Hokr	Munger	Rodriguez, F.	Vanasek
Clark, J.	Jacobs	Murphy	Rose	Vellenga
Cohen	Jennings	Nelson, K.	St. Onge	Waltman
Coleman	Jensen	Neuenschwander	Sarna	Welker
Dempsey	Johnson	Norton	Schafer	Welle
Dimler	Kahn	Ogren	Scheid	Wenzel
Eken	Kalis	Olsen	Schreiber	Wigley
Erickson	Kelly	Omann	Seaberg	Wynia
Evans	Knickerbocker	Onnen	Segal	Zaffke
Findlay	Knuth	Osthoff	Shea	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1655, A bill for an act relating to financial institutions; providing an expedited procedure for certain bank applications; providing a uniform examination cycle for all supervised institutions; extending the temporary removal of mortgage usury limits; providing a time period within which notices of the filing of applications for detached facilities must be published; providing prior notice to the commissioner of a change in the ownership of a state bank; bringing state law into conformity with federal law regarding limitations on loans to bank directors, officers, or employees; providing prior notification to the commissioner of the termination or cancellation of a fidelity bond to a bank; authorizing the commissioner, after notification, to order the bank to take action; clarifying the exclusion of bankers' acceptances from the restrictions upon total liabilities to a bank; extending the time period imposed on a bank for the filing of proof of publication of its quarterly report; modifying the definition of "demand deposits" in light of federal deregulation of interest rates; removing the photo identification requirement from the provisions regulating the opening of checking accounts; clarifying service charges on dishonored checks; making various technical changes; amending Minnesota Statutes 1982, sections 45.071, by adding a subdivision; 46.04, subdivision 1; 47.204, subdivision 1; 48.03, subdivision 4; 48.08; 48.13; 48.14; 48.24, subdivision 6; 48.48, subdivisions 1 and 2; 48.51; 51A.50; 52.06, subdivision 1; 53.03, subdivision 4; 53.09, sub-

division 1; and 56.12; Minnesota Statutes 1983 Supplement, sections 45.04; 47.54, subdivision 1; 48.512, subdivision 2; 52.203; 53.01; 53.03, subdivisions 1 and 5; 53.04, subdivision 3a; 168.67; and 332.50, subdivision 2; repealing Minnesota Statutes 1982, sections 47.75, subdivision 2; and 51A.44, 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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Fjoslien	Krueger	Piepho	Stadum
Anderson, G.	Forsythe	Kvam	Piper	Staten
Battaglia	Frerichs	Larsen	Price	Sviggum
Beard	Graba	Levi	Quinn	Swanson
Begich	Greenfield	Long	Quist	Thiede
Bennett	Gruenes	Ludeman	Redalen	Tomlinson
Bergstrom	Gustafson	Mann	Reif	Tunheim
Bishop	Gutknecht	Marsh	Riveness	Uphus
Blatz	Halberg	McDonald	Rodosovich	Valan
Boo	Haukoos	McEachern	Rodriguez, C.	Valento
Brandl	Heap	McKasy	Rodriguez, F.	Vanasek
Brinkman	Heinitz	Metzen	Rose	Vellenga
Burger	Himle	Munger	St. Onge	Waltman
Carlson, D.	Hoffman	Murphy	Sarna	Welch
Carlson, L.	Hokr	Nelson, K.	Schafer	Welker
Clark, J.	Jacobs	Neuenschwander	Scheid	Welle
Cohen	Jennings	Norton	Schreiber	Wenzel
Coleman	Jensen	Ogren	Seaberg	Wigley
Dempsey	Johnson	Olsen	Segal	Wynia
DenOuden	Kahn	Omamm	Shea	Zaffke
Dimler	Kalis	Onnen	Sherman	Speaker Sieben
Eken	Kelly	Osthoff	Simoneau	
Ellingson	Knickerbocker	Otis	Skoglund	
Erickson	Knuth	Pauly	Solberg	
Findlay	Kostohryz	Peterson	Sparby	

The bill was passed and its title agreed to.

H. F. No. 1761, A bill for an act relating to taxation; releasing certain counties from the requirement to impose an aggregate removal tax; amending Minnesota Statutes 1983 Supplement, section 298.75, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 113 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Kostohryz	Peterson	Sparby
Battaglia	Fjoslien	Krueger	Piepho	Stadum
Beard	Forsythe	Kvam	Piper	Staten
Begich	Frerichs	Larsen	Price	Sviggum
Bennett	Graba	Levi	Redalen	Swanson
Bishop	Greenfield	Long	Reif	Thiede
Blatz	Gustafson	Ludeman	Riveness	Tomlinson
Boo	Gutknecht	Mann	Rodosovich	Tunheim
Brandl	Halberg	McDonald	Rodriguez, C.	Uphus
Brinkman	Haukoos	McEachern	Rodriguez, F.	Valan
Burger	Heap	McKasy	Rose	Valento
Carlson, D.	Himle	Metzen	St. Onge	Vellenga
Carlson, L.	Hoffman	Munger	Sarna	Waltman
Clark, J.	Hokr	Murphy	Schafer	Welch
Clawson	Jacobs	Nelson, K.	Scheid	Welker
Cohen	Jennings	Neuenschwander	Schreiber	Welle
Coleman	Jensen	Norton	Seaberg	Wenzel
Dempsey	Johnson	Ogren	Segal	Wigley
DenOuden	Kahn	Olsen	Shea	Wynia
Dimler	Kalis	Omann	Sherman	Zaffke
Ellingson	Kelly	Onnen	Simoneau	Speaker Sieben
Erickson	Knickerbocker	Otis	Skoglund	
Evans	Knuth	Pauly	Solberg	

Those who voted in the negative were:

Gruenes	Marsh	Osthoff	Vanasek
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The bill was passed and its title agreed to.

H. F. No. 1786, A bill for an act relating to the military; modifying the qualifications of the adjutant general; changing the appointment of assistant adjutants general; mandating termination of an officer's commission when federal recognition is withdrawn; expanding the power of the adjutant general to sell an armory; and expanding the use of the proceeds from the sale of an armory; amending Minnesota Statutes 1982, sections 190.07; 190.08, subdivisions 1, 3, and 4; 190.09; 192.18, subdivision 1; and 193.36, 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 118 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Blatz	Clawson	Evans	Gustafson
Anderson, G.	Boo	Cohen	Findlay	Gutknecht
Battaglia	Brandl	Coleman	Fjoslien	Halberg
Beard	Brinkman	Dempsey	Forsythe	Haukoos
Begich	Burger	Dimler	Frerichs	Heap
Bennett	Carlson, D.	Eken	Graba	Heinitz
Bergstrom	Carlson, L.	Ellingson	Greenfield	Himle
Bishop	Clark, J.	Erickson	Gruenes	Hoffman

Hokr	Marsh	Pauly	Schafer	Tunheim
Jacobs	McDonald	Peterson	Scheid	Uphus
Jensen	McEachern	Piepho	Schreiber	Valan
Johnson	McKasy	Piper	Seaberg	Valento
Kahn	Metzen	Price	Segal	Vanasek
Kalis	Munger	Quinn	Shea	Vellenga
Kelly	Murphy	Quist	Sherman	Waltman
Knickerbocker	Nelson, K.	Redalen	Simoneau	Welch
Knuth	Neuenschwander	Reif	Skoglund	Welker
Kostohryz	Norton	Riveness	Solberg	Welle
Krueger	Ogren	Rodosovich	Sparby	Wenzel
Kvam	Olsen	Rodriguez, C.	Stadium	Wigley
Larsen	Omann	Rodriguez, F.	Staten	Wynia
Levi	Onnen	Rose	Swiggum	Speaker Sieben
Long	Osthoff	St. Onge	Swanson	
Mann	Otis	Sarna	Tomlinson	

**Those who voted in the negative were:**

DenOuden      Jennings      Ludeman      Thiede      Zaffke

**The bill was passed and its title agreed to.**

H. F. No. 1801, A bill for an act relating to transportation; defining terms; regulating carriers; providing for the classification of explosives; amending Minnesota Statutes 1982, sections 221.011, subdivision 13; 221.296, subdivision 6; 299F.19, subdivisions 1 and 2; Minnesota Statutes 1983 Supplement, sections 221.011, subdivisions 3 and 21; 221.021; 221.025; 221.031, subdivisions 1, 2, 3, and 6; 221.121, subdivision 5; 221.131, subdivision 1; 221.185, subdivisions 1, 2, 3, 4, 5, and by adding subdivisions; 221.221, subdivision 4; 221.81, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1982, section 169.76; Minnesota Statutes 1983 Supplement, sections 221.031, subdivision 4; and 221.185, subdivisions 6, 7, and 8.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 2 nays as follows:

**Those who voted in the affirmative were:**

Anderson, B.	Burger	Evans	Heap	Knickerbocker
Anderson, G.	Carlson, D.	Findlay	Heinitz	Knuth
Battaglia	Carlson, L.	Fjoslien	Himle	Kostohryz
Beard	Clark, J.	Forsythe	Hoffman	Krueger
Begich	Clawson	Frerichs	Hokr	Kvam
Bennett	Cohen	Graba	Jacobs	Larsen
Bergstrom	Coleman	Greenfield	Jennings	Levi
Bishop	Dempsey	Gruenes	Jensen	Long
Blatz	Dimler	Gustafson	Johnson	Ludeman
Boo	Eken	Gutknecht	Kahn	Mann
Brandl	Ellingson	Halberg	Kalis	Marsh
Brinkman	Erickson	Haukoos	Kelly	McDonald



McEachern	Osthoff	Rodriguez, C.	Skoglund	Vanasek
McKasy	Otis	Rodriguez, F.	Solberg	Vellenga
Metzen	Pauly	Rose	Sparby	Waltman
Munger	Peterson	St. Onge	Stadum	Welch
Murphy	Piepho	Sarna	Staten	Welle
Nelson, D.	Piper	Schafer	Sviggum	Wenzel
Nelson, K.	Price	Scheid	Swanson	Wigley
Neuenschwander	Quinn	Schreiber	Thiede	Wynia
Norton	Quist	Seaberg	Tomlinson	Zaffke
Ogren	Redalen	Segal	Tunheim	Speaker Sieben
Olsen	Reif	Shea	Uphus	
Omann	Riveness	Sherman	Valan	
Onnen	Rodosovich	Simoneau	Valento	

Those who voted in the negative were:

DenOuden      Welker

The bill was passed and its title agreed to.

H. F. No. 1856, A bill for an act relating to charities; requiring disclosure from professional fund raisers; amending Minnesota Statutes 1982, section 309.556.

The bill was read for the third 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:

Anderson, B.	Evans	Knuth	Otis	Skoglund
Anderson, G.	Findlay	Kostohryz	Pauly	Solberg
Battaglia	Fjoslien	Krueger	Peterson	Sparby
Beard	Forsythe	Kvam	Piepho	Stadum
Begich	Frerichs	Larsen	Piper	Staten
Bennett	Graba	Levi	Price	Sviggum
Bergstrom	Greenfield	Long	Quinn	Swanson
Bishop	Gruenes	Ludeman	Quist	Thiede
Blatz	Gustafson	Mann	Redalen	Tomlinson
Boo	Cutknecht	Marsh	Reif	Tunheim
Brandl	Halberg	McDonald	Riveness	Uphus
Brinkman	Haukoos	McEachern	Rodosovich	Valan
Burger	Heap	McKasy	Rodriguez, C.	Valento
Carlson, D.	Heinitz	Metzen	Rodriguez, F.	Vanasek
Carlson, L.	Himle	Munger	Rose	Vellenga
Clark, J.	Hoffman	Murphy	St. Onge	Waltman
Clawson	Hokr	Nelson, D.	Sarna	Welch
Cohen	Jacobs	Nelson, K.	Schafer	Welker
Coleman	Jennings	Neuenschwander	Scheid	Welle
Dempsey	Jensen	Norton	Schreiber	Wenzel
DenOuden	Johnson	Ogren	Seaberg	Wigley
Dimler	Kahn	Olsen	Segal	Wynia
Eken	Kalis	Omann	Shea	Zaffke
Ellingson	Kelly	Onnen	Sherman	Speaker Sieben
Erickson	Knickerbocker	Osthoff	Simoneau	

The bill was passed and its title agreed to.

S. F. No. 1127, A bill for an act relating to Anoka County; authorizing the issuance of bonds for the construction of library buildings and an annual levy for debt retirement.

The bill was read for the third 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:

Anderson, B.	Evans	Knuth	Otis	Skoglund
Anderson, C.	Findlay	Kostohryz	Pauly	Solberg
Battaglia	Fjoslien	Krueger	Peterson	Sparby
Beard	Forsythe	Kvam	Piepho	Stadum
Begich	Frerichs	Larsen	Piper	Staten
Bennett	Graba	Levi	Price	Sviggum
Bergstrom	Greenfield	Long	Quinn	Swanson
Bishop	Gruenes	Ludeman	Quist	Thiede
Blatz	Gustafson	Mann	Redalen	Tomlinson
Boo	Gutknecht	Marsh	Reif	Tunheim
Brandl	Halberg	McDonald	Riveness	Uphus
Brinkman	Haukoos	McEachern	Rodosovich	Valan
Burger	Heap	McKasy	Rodriguez, C.	Valento
Carlson, D.	Heinitz	Metzen	Rodriguez, F.	Vanasek
Carlson, L.	Himle	Munger	Rose	Vellenga
Clark, J.	Hoffman	Murphy	St. Onge	Waltman
Clawson	Hokr	Nelson, D.	Sarna	Welch
Cohen	Jacobs	Nelson, K.	Schafer	Welker
Coleman	Jennings	Neuenschwander	Scheid	Welle
Dempsey	Jensen	Norton	Schreiber	Wenzel
DenOuden	Johnson	Ogren	Seaberg	Wigley
Dimler	Kohn	Olsen	Segal	Wynia
Eken	Kalis	Omann	Shea	Zaffke
Ellingson	Kelly	Onnen	Sherman	Speaker Sieben
Erickson	Knickerbocker	Osthoff	Simoneau	

The bill was passed and its title agreed to.

Kvam was excused at 3:45 p.m. Coleman was excused at 3:55 p.m. Otis was excused at 4:55 p.m. Reif was excused at 5:00 p.m.

### GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of the Whole with Sieben in the Chair for the consideration of bills pending on General Orders of the Day. Wynia presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. Nos. 1425, 1663, 1700, 1703, 1781, 1939, 1273, 1445, 1446, 1466, 1507, 1533 and 1550 which it recommended to pass.

S. F. No. 1139 which it recommended to pass.

H. F. Nos. 347, 1345, 1527, 1668, 1843, 1937 and 1981 which it recommended progress.

S. F. No. 214 which it recommended progress.

H. F. No. 1557 which it recommended progress retaining its place on General Orders.

H. F. No. 1420 which it recommended to pass with the following amendment offered by Simoneau:

Page 2, after line 28, insert:

"Sec. 2. [EFFECTIVE DATE.]

*This act is effective the day following final enactment.*"

H. F. No. 1421 which it recommended progress until Tuesday, April 10, 1984 with the following amendment offered by Begich:

Page 1, line 17, after "association, a" insert "state or"

H. F. No. 1824 which it recommended to pass with the following amendments:

Offered by Schreiber:

Page 2, line 4, before "(2)" delete the comma and insert a semicolon

Page 2, line 8, delete ", and" and insert a semicolon

Page 2, line 11, after "11" insert "; and (4) vending machines may be placed in rest areas, tourist information centers, or weigh stations constructed or located within trunk highway rights-of-way"

Page 4, after line 2, insert

"Sec. 4. Minnesota Statutes 1982, section 160.28, is amended to read:

160.28 [PLANS FOR REST AREAS, TOURIST INFORMATION CENTERS AND WEIGH STATIONS; VENDING FACILITIES.]

(THE PROVISIONS OF) *Subdivision 1.* Any other law to the contrary notwithstanding, the commissioner of transportation is hereby authorized to cause to be prepared plans and specifications and detailed designs for the construction of buildings and facilities for rest areas, tourist information centers in combination with rest areas, and weigh stations when (HE) *the commissioner* deems (SUCH) *these* buildings and facilities to be necessary in the interest of safety and convenient public travel on highways.

*Subd. 2. [VENDING MACHINES.] Any other law to the contrary notwithstanding, the commissioner may contract for or authorize the placement of vending machines in rest areas, tourist information centers, and weigh stations on marked interstate highways 35 and 94 for the purpose of dispensing nonalcoholic drinks, candy or gum. The commissioner shall only place vending machines operated under United States Code, title 20, sections 107 to 107e and as provided in section 248.07."*

Renumber the remaining sections

Further amend the title as follows:

Page 1, line 2, after the semicolon insert "authorizing vending machines in rest areas, tourist information centers and weigh stations on certain highways;"

Page 1, line 21, after the first semicolon insert "160.28, by adding a subdivision;"

Offered by Gruenes and Erickson :

Page 12, after line 30, insert a new section to read :

"Sec. 22. Minnesota Statutes 1982, section 169.01, is amended by adding a subdivision to read :

*Subd. 67. [ALLEYWAY.] "Alleyway" means a private or public passage or way located in a municipality and which (1) is less than the usual width of a street, (2) may be open to but is not designed primarily for general vehicular traffic, (3) intersects or opens to a street, and (4) is primarily used for the ingress and egress or other convenience of two or more owners of abutting real properties.*

Sec. 23. Minnesota Statutes 1982, section 169.14, subdivision 2, is amended to read :

*Subd. 2. [SPEED LIMITS.] Where no special hazard exists the following speeds shall be lawful, but any speeds in excess of such limits shall be prima facie evidence that the speed is not*

reasonable or prudent and that it is unlawful; except that the speed limit within any municipality shall be a maximum limit and any speed in excess thereof shall be unlawful:

- (1) 30 miles per hour in an urban district;
- (2) 65 miles per hour in other locations during the daytime;
- (3) 55 miles per hour in such locations during the nighttime (.);
- (4) 10 miles per hour in alleys.

"Daytime" means from a half hour before sunrise to a half hour after sunset, except at any time when due to weather or other conditions there is not sufficient light to render clearly discernible persons and vehicles at a distance of 500 feet. "Night-time" means at any other hour or at any time when due to weather or other conditions there is not sufficient light to render clearly discernible persons and vehicles at a distance of 500 feet.

Sec. 24. Minnesota Statutes 1982, section 169.14, is amended by adding a subdivision to read:

*Subd. 5c. [SPEED ZONING IN ALLEYWAYS.] Local authorities may regulate speed limits for alleyways as defined in section 169.01 based on their own engineering and traffic investigations. Alleyway speed limits established at other than 10 miles per hour shall be effective when proper signs are posted."*

Page 12, line 31, delete "22" and insert "23"

Amend the title as follows:

Page 1, line 24, after the semicolon insert "169.01, by adding a subdivision; 169.14, subdivision 2, and by adding a subdivision;"

Offered by Onnen:

Page 12, after line 26, add a new section to read:

"Sec. 22. Minnesota Statutes 1983 Supplement, section 173.08, subdivision 1, is amended to read:

**173.08 [EXCLUDED DEVICES.]**

Subdivision 1. Advertising devices restricted. No advertising device, excepting the advertising devices described and permitted under sections 173.01 to 173.27, shall be erected or maintained in an adjacent area, after June 8, 1971, except the following:

(a) Directional and other official signs, including, but not limited to, signs pertaining to natural wonders, scenic and historical attractions, which are required or authorized by law, and which comply with regulations which shall be promulgated by the commissioner relative to their lighting, size, spacing and other requirements as may be appropriate to implement sections 173.01 to 173.27;

(b) Advertising devices advertising the sale or lease of property upon which they are located, provided that there shall not be more than one such sign, advertising the sale or lease of the same property, visible to traffic proceeding in any one direction on any one interstate or primary highway;

(c) Advertising devices advertising activities conducted on the property on which they are located, or on adjacent property if both pieces of property are farms and if the activity advertised is the sale of farm commodities, including, without limiting the generality of the foregoing goods sold, stored, manufactured, processed or mined thereon, services rendered thereon, and entertainment provided thereon;

(d) Advertising devices stating the name and address of the owner, lessee or occupant of such property or information otherwise required or authorized by law to be posted or displayed thereon;

(e) Public utility signs;

(f) Service club and religious notices;

(g) Advertising devices of which the advertising copy or the name of the owner thereof is in no part visible from the traveled way of the aforesaid highways;

(h) Advertising devices which are located, or which are to be located, in business areas and which comply, or will comply when erected, with the provisions of sections 173.01 to 173.27."

Renumber sections accordingly

Page 12, line 32, delete "21" and insert "26"

Amend the title:

Page 1, line 26, after "Supplement," insert "sections 173.08, subdivision 1,"

Page 1, line 26, delete "section"

H. F. No. 1722 which it recommended to pass with the following amendment offered by Wynia:

Page 1, line 18, reinstate "(IF THE VICTIM)"

Page 1, line 19, after "(9)" insert "*was under the age of 18 years*" and reinstate "(AT THE)"

Page 1, line 20, reinstate the stricken language

H. F. No. 1436 which it recommended to pass with the following amendment offered by Bergstrom:

Page 2, line 6, delete "480" and insert "560"

H. F. No. 1553 which it recommended to pass with the following amendment offered by Olsen:

Page 1, after line 12, insert:

"Section 1. Minnesota Statutes 1982, section 112.37, subdivision 7, is amended 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 so as to fairly represent by residence the various hydrologic areas within the district.* 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) *1a.*

Sec. 2. Minnesota Statutes 1982, 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. If the nominating petition that initiated the district 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 persons nominated jointly or severally by the townships and municipalities within the district. The list shall contain at least three nominees for each position to be filled. *Managers for a district wholly within the metropolitan area shall be appointed so as to fairly represent by residence the various hydrologic areas within the district.* It shall be submitted to the affected county board at least 60 days prior to the expiration of the term of office. If 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. 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 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, provided that a soil and water conservation supervisor may be a manager."

Renumber sections accordingly

Further, amend the title as follows:

Page 1, line 6, after "sections" insert "112.37, subdivision 7; 112.42, subdivision 3;"

H. F. No. 1561 which it recommended be re-referred to the Committee on Appropriations with the following amendment offered by Swanson:

Page 8, lines 15 and 16, delete "*preexisting health status,*"

Page 8, line 16, before the period insert "*; and during every open enrollment period in which all offered health benefit plans participate, copayment provisions shall not discriminate on the basis of preexisting health status*"



Page 9, line 11, insert "(a)" after "include"

Page 9, line 13, after "arrangements" insert "or (b) any entity with which a health maintenance organization has contracted primarily in order to purchase or lease equipment or space"

Page 12, line 3, after the period insert "A contract approved by the commissioner of health as initially filed, and which has not resulted in a retrospective determination of unreasonable expense by the commissioner of commerce under Section 62D.19, is not subject to disapproval for three years of subsequent filings, if the terms of the contract, projected annual expenses and projected annual revenues under the contract will be unchanged."

On the motion of Eken the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll call was taken in the Committee of the Whole:

The question was taken on the Simoneau motion to re-refer H. F. No. 1561, as amended, to the Committee on Appropriations and the roll was called. There were 73 yeas and 36 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frerichs	Larsen	Piepho	Sviggum
Beard	Graba	Levi	Quist	Thiede
Bennett	Gutknecht	Ludeman	Redalen	Tunheim
Bergstrom	Halberg	Mann	Rodriguez, C.	Uphus
Bishop	Haukoos	McDonald	Rose	Valento
Blatz	Heap	McKasy	Schafer	Vellenga
Brandl	Heinitz	Nelson, D.	Schoenfeld	Voss
Burger	Himle	Nelson, K.	Schreiber	Waltman
DenOuden	Hokr	Neuenschwander	Seaberg	Welker
Dimler	Jennings	Norton	Shaver	Welle
Erickson	Jensen	Olsen	Shea	Wenzel
Evans	Johnson	Omann	Sherman	Wigley
Findlay	Knickerbocker	Onnen	Simoneau	Zaffke
Fjoslien	Knuth	Pauly	Sparby	
Forsythe	Krueger	Peterson	Stadum	

Those who voted in the negative were:

Anderson, B.	Greenfield	Marsh	Riveness	Vanasek
Anderson, G.	Gruenes	McEachern	Rodosovich	Welch
Carlson, L.	Gustafson	Munger	Rodriguez, F.	Wynia
Clark, J.	Jacobs	Murphy	St. Onge	Speaker Sieben
Clawson	Kahn	Ogren	Skoglund	
Cohen	Kalis	Osthoff	Staten	
Eken	Kelly	Piper	Swanson	
Ellingson	Kostohryz	Price	Valan	

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Bergstrom moved that the name of Seaberg be added as an author on H. F. No. 754. The motion prevailed.

Brinkman moved that the name of Elioff be added as an author on H. F. No. 1288. The motion prevailed.

Seaberg moved that the name of Rodriguez, C., be added as an author on H. F. No. 1446. The motion prevailed.

Levi moved that the names of Segal and Olsen be added as authors on H. F. No. 1553. The motion prevailed.

Otis moved that the name of Segal be added as an author on H. F. No. 1775. The motion prevailed.

Coleman moved that the name of Segal be added as an author on H. F. No. 1781. The motion prevailed.

Gustafson moved that the names of Elioff and Greenfield be added as authors on H. F. No. 1996. The motion prevailed.

Osthoff moved that the names of Kostohryz and Scheid be added as authors on H. F. No. 2301. The motion prevailed.

Reif moved that the name of Olsen be added as an author on H. F. No. 805. The motion prevailed.

Valan moved that H. F. No. 2229 be returned to its author. The motion prevailed.

## ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 2:00 p.m., Monday, April 9, 1984. 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, April 9, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

The first of these is the fact that the
 Government has not been able to
 secure the necessary amount of
 money to carry on its operations.
 This is due to the fact that the
 Government has not been able to
 raise the necessary amount of
 money through the sale of bonds.
 The second of these is the fact
 that the Government has not been
 able to secure the necessary
 amount of money through the
 sale of bonds.

The third of these is the fact
 that the Government has not been
 able to secure the necessary
 amount of money through the
 sale of bonds.

## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SEVENTY-THIRD DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 9, 1984

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 Monsignor James D. Habiger, Minnesota Catholic Conference, St. Paul, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Erickson	Knuth	Otis	Skoglund
Anderson, G.	Evans	Kostohryz	Pauly	Solberg
Anderson, R.	Findlay	Krueger	Peterson	Sparby
Battaglia	Fjoslien	Kvam	Piepho	Stadum
Beard	Forsythe	Larsen	Piper	Staten
Begich	Frerichs	Levi	Price	Sviggum
Bennett	Graba	Long	Quinn	Swanson
Bergstrom	Greenfield	Ludeman	Quist	Thiede
Bishop	Gruenes	Mann	Redalen	Tomlinson
Blatz	Gustafson	Marsh	Reif	Tunheim
Boo	Gutknecht	McDonald	Rice	Uphus
Brandl	Halberg	McEachern	Riveness	Valan
Brinkman	Haukoos	McKasy	Rodosovich	Valento
Burger	Heap	Metzen	Rodriguez, C.	Vanasek
Carlson, D.	Heinitz	Minne	Rodriguez, F.	Vellenga
Carlson, L.	Himle	Munger	Rose	Voss
Clark, J.	Hoberg	Murphy	St. Onge	Waltman
Clark, K.	Hoffman	Nelson, D.	Sarna	Welch
Clawson	Hokr	Nelson, K.	Schafer	Welker
Cohen	Jacobs	Neuenschwander	Scheid	Welle
Coleman	Jennings	Norton	Schoenfeld	Wenzel
Dempsey	Jensen	O'Connor	Schreiber	Wigley
DenOuden	Johnson	Ogren	Seaberg	Wynia
Dimler	Kahn	Olsen	Segal	Zaffke
Eken	Kalis	Omann	Shea	Speaker Sieben
Elioff	Kelly	Onnen	Sherman	
Ellingson	Knickerbocker	Osthoff	Simoneau	

A quorum was present.

Shaver was excused until 2:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Minne moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 1835, 2047, 499, 1406, 1420, 1421, 1886, 1892, 2070, 2186, 2218, 2245, 1302, 1393, 1010, 1436, 1499, 1578, 1982, 2012, 2062, 2185, 1553, 1722 and 1824 and S. F. Nos. 1760, 1770, 1810, 1927, 1455 and 1418 have been placed in the members' files.

S. F. No. 1770 and H. F. No. 2131, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Gustafson moved that S. F. No. 1770 be substituted for H. F. No. 2131 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1810 and H. F. No. 1859, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Riveness moved that the rules be so far suspended that S. F. No. 1810 be substituted for H. F. No. 1859 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1927 and H. F. No. 1913, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Elioff moved that the rules be so far suspended that S. F. No. 1927 be substituted for H. F. No. 1913 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1213, A bill for an act relating to welfare; requiring parents of children on probation or parole to pay the costs of foster care; providing for payment of costs of care for emotionally handicapped children; amending Minnesota Statutes 1982, sections 242.19, subdivision 2; 252.27, subdivision 1; and 260.251, subdivision 1; and proposing new law coded in chapter 260.

Reported the same back with the following amendments:

Pages 2 to 5, delete sections 2, 3, and 4 and insert:

"Sec. 2. Minnesota Statutes 1982, section 260.251, subdivision 1, is amended to read:

Subdivision 1. [CARE, EXAMINATION, OR TREATMENT.] (a) Except where parental rights are terminated,

(1) whenever legal custody of a child is transferred by the court to a county welfare board, or (WHEN)

(2) whenever legal custody is transferred to a person other than the county welfare board, but under the supervision of the county welfare board, (OR WHENEVER THE CHILD IS PLACED BY THE COURT WITH SOMEONE OTHER THAN ITS PARENTS PURSUANT TO SECTION 260.175, CLAUSES (A), (B), OR (C), OR)

(3) whenever a (MINOR) *child* is given physical or mental examinations or treatment under order of the court, and no provision is otherwise made by law for payment for the care, examination, or treatment of the (MINOR) *child*, these costs are a charge upon the welfare funds of the county in which proceedings are held upon certification of the judge of juvenile court.

(b) *The court shall order the parents or custodian of a child, while the child is under the age of 18, to use the total income and resources attributable to the child for the period in which he or she receives care, examination, or treatment, except for clothing and personal needs allowance as provided in section 256B.35, to reimburse the county for the cost of care, examination, or treatment. Income and resources attributable to the child include, but are not limited to, social security benefits, supplemental security income (SSI), veterans benefits, railroad retirement benefits, and child support. When the child is over the age of 18, and continues to receive care, examination, or treatment, the court shall order the child to reimburse the county for the cost of care, examination, or treatment from the income and resources attributable to him or her less the clothing and personal needs allowance.*

(c) *If the income and resources attributable to the child are not enough to reimburse the county for the full cost of the care, examination, or treatment, the court (MAY) shall inquire into the ability of the parents to support the (MINOR) child and, after giving the parents a reasonable opportunity to be heard, (MAY) shall order the parents to (PAY) reimburse the county, in the manner and to whom the court may direct, such sums as will cover in whole or in part the cost of care, examination, or treatment of the (MINOR) child.*

(d) *The court shall order the amount of reimbursement attributable to the parents or custodian, or attributable to the child, or attributable to both sources, withheld under section 518.611 from the income of the parents or the custodian of the child. If (THE PARENTS FAIL) a parent or the custodian or the child over the age of 18 fails to pay this sum without good reason, (THEY) he or she may be proceeded against for contempt, or the court may inform the county attorney, who shall proceed against (THE PARENTS) any of them to collect the unpaid sums, or both procedures may be used."*

Amend the title as follows:

Page 1, delete line 4

Page 1, line 5, delete "handicapped children;"

Page 1, line 6, delete everything after the semicolon

Page 1, line 7, delete the first "subdivision 1;"

Page 1, line 7, delete everything after the second "subdivision 1" and insert a period

Page 1, delete line 8

With the recommendation that when so amended the bill pass.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1280, A bill for an act relating to transportation; establishing a railroad passenger service study commission to study the feasibility and potential of expanded railroad passenger service within the state.

Reported the same back with the following amendments:

Page 2, line 21, delete "1984" and insert "1986"

Page 2, after line 21, insert:

"Sec. 3. [APPROPRIATION.]

*The sum of \$ . . . is appropriated from the general fund to the railroad passenger service study commission for the purpose of conducting the study required in section 2."*

Page 2, line 22, delete "3" and insert "4"

Amend the title as follows:

Page 1, line 5, before the period insert "; 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.

Rice from the Committee on Appropriations to which was referred:

H. F. No. 1291, A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 8; removing the constitutional restrictions on permanent school fund investments; establishing statutory restrictions; amending Minnesota Statutes 1982, section 11A.16, subdivision 4.

Reported the same back with the following amendments:

Page 2, line 29, strike everything after "state"

Page 2, line 30, strike everything before the period and insert "*in a manner prescribed by law*"

Page 3, line 6, after "*fund*" insert "*and the semiannual apportionment of the returns on the investment to the school districts*"

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.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1427, A bill for an act relating to investments; legal investments for police and firefighter's relief associations; amending Minnesota Statutes 1982, section 69.775; and Minnesota Statutes 1983 Supplement, section 69.77, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:



"Section 1. Minnesota Statutes 1982, section 3.082, is amended to read:

3.082 [MEMBERS' EMPLOYMENT; CONTINUATION.]

Any member of the legislature of the state of Minnesota who held a position, other than a temporary position, in the employ of any private employer in Minnesota at the commencement of his service in any legislative session, who makes application for reemployment not later than 30 days after the last legislative day in each calendar year, shall be continued in or restored to such position, or to a position of like seniority, status and pay. *Retirement benefits under an employer-sponsored pension or retirement plan shall not be reduced by reason of time spent in legislative service.*

Sec. 2. Minnesota Statutes 1983 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. The member contribution requirement specified in this clause shall not apply to any members who are volunteer firefighters.

(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, as required pursuant to clause (8). In the event that 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 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 (c) or 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) five percent stock limitation specified in section 11A.24, subdivision 5 would necessitate a lesser investment. *Notwithstanding the foregoing, up to 75 percent of the market value of the assets of the fund may be invested in open-end investment companies regis-*

tered under the federal Investment Company Act of 1940, if the portfolio investments of the investment companies comply with the type of securities authorized for investment by section 11A.24, subdivisions 2 to 5. The association may also invest funds in Minnesota situs nonfarm real estate ownership interests or loans secured by mortgages or deeds of trust, provided that the amount of all investments in real property shall not exceed ten percent of the market value of the association's fund. 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 of every year. A copy of the actuarial survey 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 1982, section 69.775, is amended to read:

69.775 [INVESTMENTS.]

The special fund assets of the relief associations governed by section 69.771 to 69.776 shall be invested in securities which are proper investments pursuant to section 11A.24, except that up to five percent of the special fund assets, or a minimum of \$10,000, may be invested in the stock of any one corporation. *Notwithstanding the foregoing, up to 75 percent of the market value of the assets of the fund may be invested in open-end investment companies registered under the federal Investment Company Act of 1940, if the portfolio investments of the investment companies comply with the type of securities authorized for investment by section 11A.24, subdivisions 2 to 5.* Securities held by the associations before January 1, 1972, which do not meet the requirements of this section may be retained after that date if they were proper investments for the association on May 14, 1971. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board under the provi-

sions 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.

Sec. 4. Minnesota Statutes 1983 Supplement, section 352.113, subdivision 2, is amended to read:

Subd. 2. [APPLICATION; ACCRUAL OF BENEFITS.] An employee making claim for a total and permanent disability benefit shall file a written application therefor in the office of the system in a form and manner prescribed by the executive director. The benefit shall begin to accrue (90 DAYS) *the day* following the commencement of disability or the day following the last day paid whichever is later but in no event earlier than 60 days prior to the date the application is filed with the director.

Sec. 5. Minnesota Statutes 1982, section 352.113, subdivision 3, is amended to read:

Subd. 3. [COMPUTATION OF BENEFITS.] The total and permanent disability benefit shall be computed in the manner provided in section 352.115. The disability benefit shall be the normal annuity without reduction for each month the employee is under age 65 at the time of becoming disabled. A disabled employee may elect to receive the normal disability benefit or an optional annuity as provided in section 352.116, subdivision 3. The election of an optional annuity shall be made prior to the commencement of payment of the disability benefit and shall be effective (30 DAYS AFTER RECEIPT OF THE ELECTION OR) the date on which the disability begins to accrue as provided in subdivision 2 (, WHICHEVER OCCURS LATER. UPON BECOMING EFFECTIVE, THE OPTIONAL ANNUITY SHALL BEGIN TO ACCRUE ON THE SAME DATE AS PROVIDED FOR THE DISABILITY BENEFIT).

Sec. 6. Minnesota Statutes 1983 Supplement, section 352.115, subdivision 8, is amended to read:

Subd. 8. [ACCRUAL OF ANNUITY.] State employees shall make application for an annuity but such application shall not be made more than 60 days prior to the time the employee is eligible to retire by reason of both age and service requirements. If the director determines an applicant for annuity has fulfilled all the requirements of the law to entitle him to an annuity, he shall authorize payment thereof in accordance with the provisions of this chapter and payment shall be made pursuant to this authorization. An annuity shall begin to accrue no earlier than 60 days prior to the date the application is filed with the director (EXCEPT THAT IF AN OPTIONAL ANNUITY AS PROVIDED IN SECTION 352.116, SUBDIVISION 3 IS SE-

LECTED THE ANNUITY SHALL BEGIN TO ACCRUE 30 DAYS AFTER THE APPLICATION IS FILED WITH THE DIRECTOR), but in no event prior to the day following the termination of state service or prior to the day the employee is eligible to retire by reason of both age and service requirements. The retirement annuity shall cease with the last payment which had accrued to the retired employee during his lifetime unless he elected an optional annuity provided in section 352.116, subdivision 3, and he had become entitled to payment thereof. The joint and last survivor annuity shall cease with the last payment received by the survivor in his or her lifetime. If a retired employee had not selected an optional annuity, or a survivor annuity is not payable under the option, and a spouse survives, such spouse shall be entitled only to the annuity for the calendar month in which the retired employee died. If an optional annuity is payable after the death of the retired employee, the survivor shall be entitled to the annuity for the calendar month in which the retired employee died.

Sec. 7. Minnesota Statutes 1982, section 352D.02, is amended by adding a subdivision to read:

*Subd. 1b. An employee covered by the regular plan who is subsequently employed as a permanent, full-time unclassified employee of the legislature or any commission or agency of the legislature may elect to transfer accumulated employee and matching employer contributions, as provided in section 352D.03.*

Sec. 8. Minnesota Statutes 1982, section 353.34, is amended by adding a subdivision to read:

*Subd. 3a. [DEFERRED ANNUITY; CERTAIN HOSPITAL EMPLOYEES.] Any member employed by a public hospital, as defined in section 355.71, subdivision 3, who has at least five years of allowable service credit on the date the public hospital is taken over by a private corporation or organization, may elect to receive a deferred annuity pursuant to subdivision 3 notwithstanding the length of service requirement contained therein.*

Sec. 9. Minnesota Statutes 1982, section 354.62, subdivision 2, is amended to read:

*Subd. 2. [INDIVIDUAL ELECTION.] Each member of the teachers retirement association may elect to participate in the variable annuity division by filing a written notice with the board of trustees on forms provided by the board.*

(1) Employee variable annuity contributions to the variable annuity division shall be pursuant to the option available in section 354.44, subdivision 7, the employee variable annuity contributions shall be an amount equal to (TWO PERCENT OF THE SALARY OF EVERY COORDINATED MEMBER

AND FOUR PERCENT OF THE SALARY OF EVERY BASIC MEMBER) *one-half of the employee rates specified in section 354.42, subdivision 2.*

(2) Employer variable annuity contributions shall be an amount equal to the employee variable annuity contributions provided in clause (1). The deficiency in equal employer variable annuity contributions which shall exist prior to July 1, 1975 shall be recovered from the additional employer contributions made prior to July 1, 1975 pursuant to section 354.42, subdivision 5.

(3) There shall be provided for members participating in the variable annuity division a separate account for each member which will show his variable account accumulations as defined in section 354.05, subdivision 23. The board shall establish such other accounts in the variable annuity division as it deems necessary for the operation of this provision.

(4) After June 30, 1974 there shall be no new participants in this program.

(5) Effective July 1, 1978, no future employee and employer contributions shall be credited to any accounts in the variable annuity division unless the member elects continued participation in the variable annuity division pursuant to section 354.621.

Sec. 10. Minnesota Statutes 1983 Supplement, section 356.61, is amended to read:

**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 lesser of:

(a) the amount of the final monthly salary of the person; or

(b) One-twelfth of the amount of the annual benefit permitted by the terms of section 415 of the Internal Revenue Code with respect to a participant in a plan qualified under section 401(a) of the Internal Revenue Code, as amended through December 31, 1982.

*The benefit limitation of clause (b) is to be determined on the date the benefit is initially payable or on the date the employee*

terminated employment, if earlier. The benefit limitation on any date is the benefit limitation for the limitation year in which the date occurs. The limitations apply only to the annual benefit which is derived from employer contributions. Mandatory and voluntary employee contributions, if any, are treated as a separate defined contribution plan maintained by the employer which is subject to the limitations placed on annual additions to defined contribution plans.

The maximum annual benefit of clause (b) for any limitation year is the lesser of (1) or (2) below:

(1) A dollar limitation of \$90,000, adjusted as of January 1 of each calendar year to the dollar limitation as determined for that year by the commissioner of Internal Revenue. The amount determined for any year will apply to limitation years ending with or within that calendar year.

(2) A compensation limitation of 100 percent of the average of compensation paid or made available to the participant by the employer during those three consecutive calendar years of employment, or actual number of consecutive calendar years of employment if employed less than three consecutive years, which give the highest average. Compensation means any compensation which is includable in the employee's gross income.

A benefit shall be deemed not to exceed the maximum benefit limitation of clause (b) if:

(1) the retirement benefits payable under the plan and under any other defined benefit plans of the employer do not exceed the \$10,000 limit set in section 415(b) (4) of the Internal Revenue Code for the plan year, or for any prior plan year, and

(2) the employer has not at any time maintained a defined contribution plan in which the employee participated.

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. Minnesota Statutes 1982, section 422A.18, subdivision 3, is amended to read :

Subd. 3. Payment of any disability allowance authorized by sections 422A.01 to 422A.25, shall commence (FIVE) *three* months after date of application provided that the applicant has not been restored to duty. Such payment shall be retroactive to date of application and shall continue throughout the full period of the disability subject to the same optional selections as are provided for service allowances; provided that when a disability beneficiary shall have attained the minimum age for retirement on a service allowance the disability allowance shall be discontinued only as provided by the terms of the option selected. Any employee eligible for a disability allowance who is also entitled to an allowance under a workers' compensation act and/or resumes a gainful occupation shall be entitled to receive during the period of such compensation only that portion of the retirement allowance provided by this act which when added to such additional compensation does not exceed the salary of the employee at the time of disability.

Sec. 12. [423A.20] [VESTING UPON LAYOFF.]

*Notwithstanding any general or special law to the contrary, if a member of a salaried firefighters relief association with ten or*

*more years of service is laid off and replaced with a volunteer firefighter, the member shall be entitled to receive a pro rata monthly benefit. For purposes of this section, "laid off" means terminated from employment with the fire department because of a shortage of funds or curtailment of service or for any other reason not reflecting discredit on the member beyond the member's control.*

*The retirement benefit is to commence at the later of either the minimum age for retirement or the date at which the member would have accumulated the minimum number of years of service for retirement if the member had remained on duty.*

*The pro rata benefit shall be calculated by multiplying the amount of the benefit payable to a member who met the minimum age and years of service requirements for a normal pension by the ratio of the laid off member's actual years of service to the minimum years of service required for retirement. The initial benefit payable shall be subject to the same post retirement adjustments as other benefits payable from the relief association.*

Sec. 13. Minnesota Statutes 1982, section 424.24, subdivision 2, is amended to read:

Subd. 2. (a) "Surviving spouse" means a person who became the member's legally married spouse during or prior to the time the member was on the payroll of any such fire department as a firefighter, and remained such continuously after their marriage until the member's death, without having been granted a marriage dissolution or legal separation, and who, in case the deceased member was a service or deferred pensioner, was legally married to the member for at least (THREE YEARS) *one year* prior to the member's retirement from the fire department; and who, in any case, was residing with the member at the time of the member's death. No temporary absence for purposes of business, health or pleasure shall constitute a change of residence for purposes of this clause.

(b) "Surviving child" means any child of the member living while the deceased member was on the payroll of the fire department, or who were born within nine months after the deceased member was withdrawn from the payroll of the fire department.

Sec. 14. [BUHL POLICE RETIREMENT BENEFITS.]

*Notwithstanding the limitation contained in Minnesota Statutes, section 423.55 or any other law, the bylaws of the Buhl police relief association may be amended to provide for the payment of a service pension equal to 65 percent of the monthly base pay of a member at the time of retirement from the police department. All other provisions of section 423.55 shall apply to the extent not inconsistent with this section.*

Sec. 15. Laws 1981, chapter 68, section 43, is amended to read:

Sec. 43. [BUHL POLICE SURVIVOR BENEFITS.]

Notwithstanding any provision of any general or special law to the contrary, the Buhl police relief association may provide in its bylaws or articles of incorporation for the payment of survivor benefits to the surviving spouse of a deceased member, or the surviving dependent children equally if there be no surviving spouse, in an amount equal to (50) 65 percent of the pension the deceased member was receiving on the date of death. The service pension is to be based on one-half of the total pay of the previous 12 month period. Payment shall continue until the surviving spouse remarries or until the dependent children reach the age of 18 years, or 22 years if a full-time student. In the event of the death of a member prior to retirement, dependent children shall receive survivor benefits in the amount of \$125 per month per child, payable until age 18 or age 22 if a full-time student.

Sec. 16. [EVELETH POLICE AND FIREFIGHTERS; BENEFIT INCREASE.]

*Notwithstanding any general or special law to the contrary, in addition to other benefits payable, retirement benefits payable to retired police officers and firefighters and the surviving spouses thereof by the Eveleth police and fire trust fund may be increased by \$10 per month. Increases may be made retroactive to January 1, 1984.*

Sec. 17. Laws 1947, chapter 43, section 23, as amended by Laws 1949, chapter 154, section 5, Laws 1951, chapter 43, section 4, Laws 1967, chapter 807, section 2, and Laws 1975, chapter 389, section 1, is amended to read:

Sec. 23. [FARIBAULT, CITY OF; FIREMEN'S RELIEF; RETIREMENT AND PENSIONS; PAYMENTS UPON DEATH OF MEMBER.] When a service pensioner, disability pensioner, or deferred pensioner, or an active member of such relief association dies, leaving:

(a) A widow who became his legally married wife while or prior to the time he was on the payroll of the fire department and remained such continuously after such marriage until his death without having applied for any divorce or legal separation, and who, in case the deceased member was a service or deferred pensioner, was legally married to such member at least (THREE YEARS) *one year* before his retirement from said fire department; and who, in any case, was residing with him at the time of his death. No temporary absence for purposes of business, health, or pleasure shall constitute a change of residence for the purposes of this section.

(b) A child or children, who were living while the deceased was on the payroll of the fire department, or who were born within nine months after said decedent was withdrawn from the payroll of said fire department, such widow and said child or children shall be entitled to a pension as follows:

(1) To such widow a monthly pension equal to 30 percent of the current monthly salary of a firefighter per month for her natural life, and a pension equal to ten percent of the current monthly salary of a firefighter per month for each child under eighteen years of age, or under the age of 21 years if unmarried and a full-time student. If such widow shall remarry, then her pension shall cease and terminate as of the date of her said marriage.

(2) To such child or children of a deceased member, after the death of the widow of such member, a monthly pension, or pensions, in such amount as the board of trustees of such association shall deem necessary to properly support such child or children until they reach the age of eighteen years or, if unmarried and a full-time student, the age of 21 years.

(3) In no event shall the survivor's pension or pensions exceed 50 percent of the current monthly salary of a firefighter per month.

(c) The amendments to subsection (b) adopted by the 1975 session of the legislature shall not apply to widows and children who began drawing pensions before July 1, 1975, although such widows and children shall continue to draw the pensions to which they are entitled under the law as it existed before the adoption of said amendments.

Sec. 18. Laws 1963, chapter 643, section 20, is amended to read:

Sec. 20. When a service pensioner, disability pensioner, or deferred pensioner, or an active member of the firemen's relief association in Albert Lea dies leaving:

(a) A widow who became his legally married wife while or prior to the time he was on the payroll of the fire department and remained such continuously after such marriage until his death without having applied for any divorce or legal separation, and who, in case the deceased member was a service or deferred pensioner, was legally married to such member at least (THREE YEARS) *one year* before his retirement from said fire department; and who, in any case, was residing with him at the time of his death. No temporary absence for purposes of business, health, or pleasure shall constitute a change of residence for purposes of this section.

(b) A child or children, who were living while the deceased was on the payroll of the fire department, or who were born within nine months after said decedent was withdrawn from the payroll of said fire department, such widow and such child or children shall be entitled to a pension as follows:

(1) To such widow a monthly pension equal to 30 percent of the monthly wages or salary of the deceased member as of the date of death for her natural life and an additional monthly pension equal to ten percent of said monthly wages or salary for each child of such member under 18 years of age, all thereafter adjusted according to wage increases or decreases granted to active firemen. However, the total amount of the pension payable per month to the widow and children shall not exceed fifty percent of the monthly wages or salary of such member at the time of death. If the widow shall remarry, then her pension, excluding the amounts paid for children, shall cease and terminate as of the date of her remarriage. Such amounts paid for a child or children may be increased after remarriage of the widow providing such increased amounts shall be based upon need of the children upon written findings signed by the board of trustees, and shall not in any event exceed for the total amount paid for the children a sum equal to 50 percent of the monthly wages or salary of such member at the time of death, all thereafter adjusted to wage increases or decreases granted to active firemen.

(2) To such child or children of a deceased member, after the death of the widow of such member, a monthly pension or pensions equal to, but not to exceed for the children of any one deceased member, the sum of 50 percent of the monthly wages or salary of such member at the time of death, all thereafter adjusted to wage increases or decreases granted to active firemen.

Sec. 19. Laws 1973, chapter 359, section 5, subdivision 2, is amended to read:

Subd. 2. A widow must have been the fireman's legally married wife living with him at the time of his death and must have been married to him for a period of at least one year while or prior to the time he was an active member of the fire department. In the case the deceased fireman is retired, the widow must have been married to him at least (THREE YEARS) *one year* before his retirement.

Sec. 20. Laws 1973, chapter 432, section 4, is amended to read:

Sec. 4. [USES OF PENSION FUND.] The policemen's pension fund shall be used only for the payment of:

(a) service, disability, or dependency pensions; *and*

(b) (SALARIES, IN AN AMOUNT NOT IN EXCESS OF \$1,000 PER YEAR;)

((C) EXPENSES OF OFFICERS AND EMPLOYEES OF THE ASSOCIATION IN CONNECTION WITH THE PROTECTION OF THE FUND; AND)

((D) ALL EXPENSES OF OPERATING AND MAINTAINING THE ASSOCIATION) *administrative expenses authorized by Minnesota Statutes, section 69.80.*

Sec. 21. Laws 1977, chapter 275, section 1, is amended by adding a subdivision to read:

*Subd. 1a. [POSTRETIREMENT ADJUSTMENT.] A member who retires or who has retired from the Crookston Police department and who receives or will receive a service pension from the relief association shall receive an annual automatic postretirement adjustment upon attaining the age of 55 years or on January 1 following the effective date of this subdivision, whichever occurs later. The adjustment shall be determined by the board of trustees on or before December 1 annually and shall accrue each year as of the January 1 following determination. The adjustment shall be first payable with the service pension payment made for January. Each adjustment shall be based on the percentage increase in the salary payable to a top grade patrol officer during the prior year. The percentage increase in the salary shall be applied to the amount of service pension payable to the member for the month immediately prior to the month in which the determination is made. The percentage increase shall not exceed 3.5 percent in any year and any increase in the salary of a top grade patrol officer in excess of 3.5 percent shall not carry over to or be used to calculate the increase for a retired member in any succeeding year.*

Sec. 22. Laws 1983, chapter 301, section 225, is amended to read:

Sec. 225. [REIMBURSEMENT OF EXCESS PENSION CONTRIBUTIONS.]

Subdivision 1. [REIMBURSEMENT REQUIRED.] Any public employee or official (WHO RETIRES FROM JANUARY 1, 1983 TO JUNE 30, 1985), *including participants in the unclassified employees program, (AND) whose pension contributions were increased by Laws 1982, Third Special Session chapter 1, article 2, section 2, subdivision 1, paragraph (v) and who has not previously received a refund of those contributions, must, upon application, be reimbursed for the amount of increased contributions paid by the official or employee because of that law. Reimbursement must be in a lump sum to the employee or official (, OR HIS OR HER SURVIVOR, AT THE SAME TIME AS THE FIRST ANNUITY PAYMENT) within 90 days after receipt of application. The amount of the reimbursement is the amount that the employee's or official's contri-*

butions increased because of Laws 1982, Third Special Session chapter 1, article 2, section 2, subdivision 1, paragraph (v) (PLUS INTEREST AT THE THEN CURRENT RATE PAID ON REFUNDS BY THE RELIEF OR RETIREMENT ASSOCIATION). Reimbursement shall be paid by the retirement or relief association to which the employee belongs. *Reimbursement may be made without application if the governing board of the appropriate retirement system or association determines that this method is feasible.*

*Subd. 1a. [CREDIT REQUIRED.] There shall be credited to the share account in the supplemental retirement fund of any participant in the unclassified employees program who receives a refund of the contributions under subdivision 1, an amount equal to the amount by which employer contributions on behalf of that participant were reduced by reason of the law cited in subdivision 1. Funds required to make the payments are appropriated from the general fund.*

*Subd. 2. [STATE PAYMENTS TO RETIREMENT ASSOCIATIONS.] (IN THE FIRST MONTH OF EACH FISCAL YEAR) On December 31, 1984, each retirement or relief association shall submit to the commissioner of finance a statement of the amount of reimbursements or credits that the retirement or relief association paid or credited under subdivision 1 (IN THE PRIOR JANUARY 1 TO DECEMBER 31 CALENDAR YEAR) or 1a. The commissioner of finance shall then pay to the retirement or relief association the amount indicated in the statement. Funds required to make the payments are appropriated from the general fund.*

**Sec. 23. [RAMSEY COUNTY; PUBLIC EMPLOYEES' RETIREMENT BENEFITS FOR SHERIFF'S PERSONNEL.]**

*An employee of the Ramsey County sheriff's department in the position of radio dispatcher, who is a member of the public employees police and fire fund and who was employed by the department before January 1, 1970 in a position that becomes covered by the police and fire fund membership after December 31, 1969 may receive allowable service credit in the police and fire fund for prior service by paying into the fund before December 31, 1984, the difference between the employee, employer and employer additional contributions actually paid, and the employee, employer and employer additional contributions that would have been paid under applicable law if the employee had been in the police and fire fund before January 1, 1970, together with six percent compound interest from the time the deductions would have been made to time of payment. If an employee makes payment in accord with this section, allowable service credit in the general fund with respect to this prior service is eliminated and the executive director shall transfer the employee's account with respect to this service from the general to the police and fire fund. Ramsey County may assume*

*the obligation for additional payments, with interest, with respect to each employee who elects to pay the employee contributions and interest authorized by this section.*

**Sec. 24. [PURCHASE OF SERVICE CREDIT.]**

*Notwithstanding any law to the contrary, a former employee of the senate, who was also employed by the city of Saint Paul, may purchase prior service credit from the Minnesota state retirement system for the periods of employment by the senate between January 1, 1971, and December 31, 1974.*

*The provisions of Laws 1982, chapter 578, article II, section 2, shall govern the amounts and manner of payment for the purchase of service credit.*

**Sec. 25. [DISABILITY OPTION BENEFIT.]**

*Notwithstanding the requirements of Minnesota Statutes, chapter 352, the surviving spouse of a deceased member of the Minnesota state retirement system who filed an application for a survivor's disability option benefit, but who died before the date the disability benefit became payable and who has not taken a refund of the retirement contributions shall be paid the joint and survivor's disability option benefit selected, computed according to Minnesota Statutes, section 352.113, subdivision 3, commencing within 60 days of the effective date of this act and retroactive to the date of death.*

**Sec. 26. [ANNUITIES OF CERTAIN MILITARY AFFAIRS DEPARTMENT PERSONNEL.]**

*Any employee covered under the provisions of Minnesota Statutes, section 352.85, providing special retirement coverage for military affairs department personnel, who attained the age of 60 after February 1, 1983, and who terminates covered employment prior to the effective date of this act shall be entitled, upon application, to a retirement annuity computed in accordance with section 352.115, subdivisions 2 and 3, without any reduction for early retirement pursuant to section 352.116, subdivision 1; provided, however, that any additional employee and employer contributions required by section 352.85, subdivision 3, to finance this special retirement coverage which were not paid during the period of coverage under the plan must be paid prior to receiving an annuity.*

**Sec. 27. [PURCHASE OF PRIOR SERVICE CREDIT.]**

*Subdivision 1. Notwithstanding any law to the contrary, a person who was employed by the St. Paul bureau of health from October 1948 to June 1955, including time spent on leave of absence for military service, and who contributed to the bureau*



of health retirement plan from April 1949 to April 1953, and who was reemployed by the city of St. Paul in the department of community services, division of public health on October 18, 1971, may purchase service credit for the period from October 1948 to June 1955 from the public employees retirement association for which that person has not previously received service credit.

*Subd. 2. The provisions of Laws 1982, chapter 578, article II, section 2, shall govern the amount and manner of payment for the purchase of service credit authorized by subdivision 1, except that the authority to make a lump sum payment or to make an agreement to make installments expires July 1, 1984.*

## Sec. 28. [OWATONNA CITY HOSPITAL EMPLOYEES.]

*Subdivision 1. [REFUND OF CONTRIBUTIONS.] A member of the public employees retirement association who was employed by the Owatonna city hospital on the date the hospital was taken over by a private corporation or organization shall be paid a refund of accumulated employee and employer contributions made by or on behalf of the employee to the association, plus interest thereon at the rate of six percent per annum. If an employee has previously received a refund of employee contributions, only the employer contributions plus the total interest shall be refunded.*

*Subd. 2. [DEFERRED ANNUITY.] If an employee described in subdivision 1 had at least five years of allowable service credit, the employee may elect to receive, in lieu of the refund, a deferred annuity pursuant to Minnesota Statutes, section 353.34, subdivision 3, notwithstanding the length of service requirements contained therein. An employee eligible for a deferred annuity who has previously received a refund of employee contributions may reinstate his or her eligibility for a deferred annuity by repaying the amount refunded, including any interest received, to the association.*

## Sec. 29. [ST. PAUL BUREAU OF HEALTH PERSONNEL.]

*An employee of the St. Paul bureau of health who exercised the option to retire with benefits calculated pursuant to the law governing bureau of health pensions as authorized by Laws 1973, chapter 767, section 4, may, within 60 days after the effective date of this section, revoke the option by giving notice of revocation to the executive director of the public employees retirement association. Effective upon the giving of notice, the employee shall receive service credit in the basic plan of the public employees retirement association as if the employee had been a member of the association during the employee's entire period of service with the bureau of health.*

Sec. 30. [WEST ST. PAUL FIREFIGHTER'S BYLAW AMENDMENT.]

*The West St. Paul firefighter's relief association may amend article XIX of their bylaws to reduce from three years to one year the period of marriage required in order to qualify a surviving spouse for survivor benefits.*

Sec. 31. [AMENDMENT OF ARTICLES.]

*In accordance with the provisions of Minnesota Statutes, section 354A.12, subdivision 4, approval is hereby granted for an amendment to the articles of incorporation of the Minneapolis teachers' retirement fund association with respect to lump sum postretirement adjustments payable to retirees or beneficiaries. The amendment may reduce from five to three years the minimum period during which a recipient must have been receiving an annuity or benefits in order to be eligible for an adjustment, increase from one-half of one percent to one percent the percentage of the asset value of the fund available for distribution, and to give the board of trustees discretion to reduce or eliminate the postretirement adjustment in any fiscal year or set an eligibility period longer than three years as a prerequisite to eligibility for an adjustment.*

Sec. 32. [TRANSFER OF FUNDS.]

*An amount equal to one-fourth of one percent of the salary of each member electing to participate in the variable annuity division pursuant to Minnesota Statutes, section 354.62, subdivision 2, which salary was paid during the period from July 1, 1979, through June 30, 1984, plus interest which would have been earned if the contributions would have been credited to the member's variable account, shall be transferred to the variable annuity division and credited to the appropriate participating member's account on June 30, 1984.*

Sec. 33. [MINNEAPOLIS TEACHERS AMENDMENT.]

*Pursuant to Minnesota Statutes, section 354A.12, subdivision 4, authority is hereby granted to the Minneapolis Teachers' Retirement Fund Association to amend subsection (11) of article IX of its articles of incorporation to eliminate the maximum of 30 years of service which may be used in the computation of formula annuities.*

Sec. 34. [REPEALER.]

*Laws 1971, chapter 184; Laws 1973, chapter 283; Laws 1978, chapter 617; Laws 1981, chapter 224, sections 255 and 256; Laws*

*1982, chapter 578, article II, section 1, subdivision 7, and section 3, are repealed.*

**Sec. 35. [EFFECTIVE DATE.]**

*Section 1 is effective the day following final enactment and applies to benefits that accrue or would have accrued prior or subsequent to that date. Section 12 is effective retroactively to July 1, 1981. Section 25 is effective for deaths occurring after July 1, 1982. Section 8 is effective retroactively to June 30, 1983. Sections 9 and 32 are effective July 1, 1984. Sections 14 to 18, 20, 21, 23, and 30 are effective upon approval by the appropriate governing body and compliance with Minnesota Statutes, section 645.021. In the case of section 19, the appropriate governing body is the Red Wing city council. The remaining sections are effective the day following final enactment. Sections 22, 28, and 29 are effective the day following final enactment. Refunds shall be paid or options exercised and repayments of refunds made pursuant to section 28 prior to July 1, 1984."*

Delete the title and insert:

"A bill for an act relating to retirement; altering the investment authority for police and firefighter's relief associations; making various changes in the benefits for various retirement funds and plans; making conforming changes in benefit calculations; granting authority for the Minneapolis Teachers' Retirement Fund Association to amend its articles of incorporation; providing for a refund of increased employee contributions; amending Minnesota Statutes 1982, sections 3.082; 69.775; 352.113, subdivision 3; 352D.02, by adding a subdivision; 353.34, by adding a subdivision; 354.62, subdivision 2; 422A.18, subdivision 3; and 424.24, subdivision 2; Minnesota Statutes 1983 Supplement, sections 69.77, subdivision 2; 352.113, subdivision 2; 352.115, subdivision 8; and 356.61; Laws 1947, chapter 43, section 23, as amended; Laws 1963, chapter 643, section 20; Laws 1973, chapters 359, section 5, subdivision 2; and 432, section 4; Laws 1977, chapter 275, section 1; and Laws 1981, chapter 68, section 43; Laws 1983, chapter 301, section 225; proposing new law coded in Minnesota Statutes, chapter 423A; repealing Laws 1971, chapter 184; Laws 1973, chapter 283; Laws 1978, chapter 617; Laws 1981, chapter 224, sections 255 and 256; Laws 1982, chapter 578, article II, section 1, subdivision 7, and section 3."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1449, A bill for an act relating to motor vehicles; authorizing operation of farm truck with class C drivers' license by employee operating truck during harvest; amending Minnesota Statutes 1982, section 171.02, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 24, after the first "the" insert "*first, continuous*" and delete "*farm to the*"

Page 1, line 25, delete the new language and insert "*place of production or on-farm storage site to any other location within 50 miles of the place of the production or on-farm storage site*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1473, A bill for an act relating to crimes and criminals; specifying the crime of theft of telecommunications service; amending Minnesota Statutes 1982, section 609.52, subdivision 2.

Reported the same back with the following amendments:

Page 4, line 34, delete "(a)"

Page 5, line 1, after "*electrical,*" insert "*by*"

Page 5, line 2, after the comma insert "*radio*" and after "*other*" insert "*means to a*"

Page 5, line 5, after the comma insert "*radio*"

Page 5, delete line 7 and insert "*The*"

Page 5, line 8, delete "*the*" and insert "*an*"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1514, A bill for an act relating to human rights; lengthening the time for filing a charge after the occurrence of an unfair discriminatory practice; providing for an award of prejudgment interest and attorney fees in certain cases; increasing the amount of punitive damages that may be awarded; changing the standard under which punitive damages are awarded; allowing liability for loss of back pay to accrue for six years; providing for jury trials on request of either party in actions before the district court; amending Minnesota Statutes 1982, sections 363.06, subdivision 3; and 363.14, subdivision 2; Minnesota Statutes 1983 Supplement, section 363.071, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [363.15] [ADVISORY COUNCIL.]

*An advisory council to the department is established. The council shall provide expertise, information, and other resources to the department in efforts to prevent unfair discriminatory acts through education and in efforts to coordinate and improve the efficiency of work performed by various state and local agencies on behalf of human rights. The council shall consist of 20 members appointed by the commissioner. The members shall be drawn from entities with a concern for any aspect of human rights, such as political parties, churches, labor unions, businesses, and various nonprofit organizations. The commissioner shall designate one member as the chair, who will convene meetings of the council. Members shall be reimbursed for mileage in the manner and amount authorized by the commissioner's plan adopted pursuant to section 43A.18, subdivision 2.*

Sec. 2. [SPECIAL APPROPRIATION.]

*There is appropriated from the general fund to the human rights department the sum of \$357,080 to be used by the department until federal funds are received by the department in payment for work done under contract with the equal employment opportunity commission and the U.S. department of housing and urban development for the federal fiscal year. The department shall reimburse the general fund of the state treasury after each quarterly payment is received from the federal government. There is also hereby appropriated the sum of \$62,480 to cover an anticipated shortfall in federal funds received by the department in fulfillment of its contracts with the equal employment opportunity commission and the department of housing and urban development.*

## Sec. 3. [APPROPRIATION.]

*Subdivision 1. [FUNDS.] (a) The sum of \$ . . . . . is appropriated from the general fund to the commissioner of human rights to hire temporary staff to eliminate the case backlog in the department of human rights. The sum is available until June 30, 1985.*

*(b) The department will assign two staff persons to make 24 visits to locations around the state to receive complaints under the human rights act. There is appropriated from the state general fund to the department of human rights for the purposes of this clause the sum of \$ . . . . . for the fiscal year ending June 30, 1985.*

*Subd. 2. [POSITIONS.] The approved complement of the department of human rights is increased by . . . positions. These positions are in the unclassified service. On July 1, 1985, the positions shall be canceled and the approved complement of the department reduced accordingly."*

Delete the title and insert:

**"A bill for an act relating to the human rights department; creating an advisory council; providing for deposit of federal contractual receipts in the state general fund; providing traveling investigators; appropriating money; proposing new law coded in Minnesota Statutes, chapter 363."**

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1666, A bill for an act relating to counties; changing certain county powers; removing a lynching provision; fixing expenditure authority for various county activities; changing penalties; revising the language of the text of chapters governing county powers and county boards; amending Minnesota Statutes 1982, chapters 373, as amended, and 375, as amended; repealing Minnesota Statutes 1982, section 373.28.

Reported the same back with the following amendments:

Page 25, line 4, reinstate the stricken "by appointment by the county board."

Page 25, line 28, reinstate the stricken "and upon" and delete the comma

Page 25, line 29, strike "and"

Page 35, line 1, reinstate the stricken ", if any,"

Page 45, delete line 36

Page 46, delete lines 1 to 15

Page 68, after line 29, insert:

"Sec. 3. Minnesota Statutes 1982, section 168.33, subdivision 2, is amended to read:

Subd. 2. [POWERS.] The registrar shall have the power to appoint, hire and discharge and fix the compensation of the necessary employees, in the manner provided by law, as may be required to enable him to properly carry out the duties imposed upon him by the provisions of this chapter. As of April 14, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau which issues motor vehicle licenses as provided in section 373.32.

Effective August 1, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau which issues motor vehicle license as provided in section 373.32. Any person appointed by the registrar as a deputy registrar for any city shall be a resident of the county in which the city is situated.

The registrar may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar. Upon approval of the county board, the auditor, with the approval of the director of motor vehicles, may appoint, and for cause discontinue, the clerk or equivalent officer of each city or any other person as a deputy registrar as public interest and convenience may require, regardless of his county of residence. Notwithstanding any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any city, may continue to serve as deputy registrar and may be

discontinued for cause only by the registrar. The county auditor shall be responsible for the acts of deputy registrars appointed by him. Each such deputy, before entering upon the discharge of his duties, shall take and subscribe an oath to faithfully discharge his duties and to uphold the laws of the state. If a deputy registrar appointed hereunder is not an officer or employee of a county or city, such deputy shall in addition give bond to the state in the sum of \$10,000, or such larger sum as may be required by the registrar, conditioned upon the faithful discharge of his duties as deputy registrar. Each deputy registrar appointed hereunder shall keep and maintain, in a convenient public place within the place for which he is appointed, a registration and motor vehicle tax collection bureau, to be approved by the registrar, for the registration of motor vehicles and the collection of motor vehicle taxes thereon. He shall keep such records and make such reports to the registrar as that officer, from time to time, may require. Such records shall be maintained at the facility of the deputy registrar. The records and facilities of the deputy registrar shall at all times be open to the inspection of the registrar or his agents. He shall report daily to the registrar all registrations made and taxes and fees collected by him. The filing fee imposed pursuant to subdivision 7 shall be deposited in the treasury of the place for which he is appointed, or if such deputy is not a public official, he shall retain the filing fee, but the registration tax and any additional fees for delayed registration he has collected he shall deposit each day in an approved state depository to the credit of the state through the state treasurer. The place for which the deputy registrar is appointed through its governing body shall provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if such deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public."

Page 68, line 31, delete "section 373.28, is" and insert "sections 373.28; and 375.29, are"

Renumber the remaining section in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert "allowing certain county officers to discharge duties relating to motor vehicles;"

Page 1, line 8, after the semicolon insert "section 168.33, subdivision 2;"

Page 1, line 9, delete "section 373.28" and insert "sections 373.28; and 375.29"

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. 1769, A bill for an act relating to water pollution control; establishing an independent state grants program for the construction of municipal wastewater treatment facilities; appropriating money; amending Minnesota Statutes 1982, sections 115.03, subdivision 1; 116.16, subdivisions 2, 4, 5, 9, and by adding a subdivision; amending Minnesota Statutes 1983 Supplement, section 116.18; repealing Minnesota Statutes 1982, section 116.16, subdivisions 6 and 7.

Reported the same back with the following amendments :

Delete everything after the enacting clause and insert :

“Section 1. Minnesota Statutes 1982, section 115.03, subdivision 1, is amended to read :

Subdivision 1. The agency is hereby given and charged with the following powers and duties :

(a) To administer and enforce all laws relating to the pollution of any of the waters of the state ;

(b) To investigate the extent, character, and effect of the pollution of the waters of this state and to gather data and information necessary or desirable in the administration or enforcement of pollution laws, and to make such classification of the waters of the state as it may deem advisable ;

(c) To establish and alter such reasonable pollution standards for any waters of the state in relation to the public use to which they are or may be put as it shall deem necessary for the purposes of this chapter and, with respect to the pollution of waters of the state, chapter 116 ;

(d) To encourage waste treatment, including advanced waste treatment, instead of stream low-flow augmentation for dilution purposes to control and prevent pollution ;

(e) To adopt, issue, reissue, modify, deny, or revoke, enter into or enforce reasonable orders, permits, variances, standards, regulations, schedules of compliance, and stipulation agreements, under such conditions as it may prescribe, in order to prevent, control or abate water pollution, or for the installation or operation of disposal systems or parts thereof, or for other equipment and facilities ;

(1) Requiring the discontinuance of the discharge of sewage, industrial waste or other wastes into any waters of the state re-

sulting in pollution in excess of the applicable pollution standard established under this chapter;

(2) Prohibiting or directing the abatement of any discharge of sewage, industrial waste, or other wastes, into any waters of the state or the deposit thereof or the discharge into any municipal disposal system where the same is likely to get into any waters of the state in violation of this chapter and, with respect to the pollution of waters of the state, chapter 116, or standards or regulations promulgated or permits issued pursuant thereto, and specifying the schedule of compliance within which such prohibition or abatement must be accomplished;

(3) Prohibiting the storage of any liquid or solid substance or other pollutant in a manner which does not reasonably assure proper retention against entry into any waters of the state that would be likely to pollute any waters of the state;

(4) Requiring the construction, installation, maintenance, and operation by any person of any disposal system or any part thereof, or other equipment and facilities, or the reconstruction, alteration, or enlargement of its existing disposal system or any part thereof, or the adoption of other remedial measures to prevent, control or abate any discharge or deposit of sewage, industrial waste or other wastes by any person;

(5) Establishing, and from time to time revising, standards of performance for new sources taking into consideration, among other things, classes, types, sizes, and categories of sources, processes, pollution control technology, cost of achieving such effluent reduction, and any non-water quality environmental impact and energy requirements. Said standards of performance for new sources shall encompass those standards for the control of the discharge of pollutants which reflect the greatest degree of effluent reduction which the agency determines to be achievable through application of the best available demonstrated control technology, processes, operating methods, or other alternatives, including, where practicable, a standard permitting no discharge of pollutants. New sources shall encompass buildings, structures, facilities, or installations from which there is or may be the discharge of pollutants, the construction of which is commenced after the publication by the agency of proposed regulations prescribing a standard of performance which will be applicable to such source. Notwithstanding any other provision of the law of this state, any point source the construction of which is commenced after May 20, 1973 and which is so constructed as to meet all applicable standards of performance for new sources shall, consistent with and subject to the provisions of section 306(d) of the Amendments of 1972 to the Federal Water Pollution Control Act, not be subject to any more stringent standard of performance for new sources during a ten-year period beginning on the date of completion of such con-

struction or during the period of depreciation or amortization of such facility for the purposes of section 167 or 169, or both, of the Federal Internal Revenue Code of 1954, whichever period ends first. Construction shall encompass any placement, assembly, or installation of facilities or equipment, including contractual obligations to purchase such facilities or equipment, at the premises where such equipment will be used, including preparation work at such premises;

(6) Establishing and revising pretreatment standards to prevent or abate the discharge of any pollutant into any publicly owned disposal system, which pollutant interferes with, passes through, or otherwise is incompatible with such disposal system;

(7) Requiring the owner or operator of any disposal system or any point source to establish and maintain such records, make such reports, install, use, and maintain such monitoring equipment or methods, including where appropriate biological monitoring methods, sample such effluents in accordance with such methods, at such locations, at such intervals, and in such a manner as the agency shall prescribe, and providing such other information as the agency may reasonably require;

(8) Notwithstanding any other provision of this chapter, and with respect to the pollution of waters of the state, chapter 116, requiring the achievement of more stringent limitations than otherwise imposed by effluent limitations in order to meet any applicable water quality standard by establishing new effluent limitations, based upon section 115.01, subdivision 5, clause (b), including alternative effluent control strategies for any point source or group of point sources to insure the integrity of water quality classifications, whenever the agency determines that discharges of pollutants from such point source or sources, with the application of effluent limitations required to comply with any standard of best available technology, would interfere with the attainment or maintenance of the water quality classification in a specific portion of the waters of the state. Prior to establishment of any such effluent limitation, the agency shall hold a public hearing to determine the relationship of the economic and social costs of achieving such limitation or limitations, including any economic or social dislocation in the affected community or communities, to the social and economic benefits to be obtained and to determine whether or not such effluent limitation can be implemented with available technology or other alternative control strategies. If a person affected by such limitation demonstrates at such hearing that, whether or not such technology or other alternative control strategies are available, there is no reasonable relationship between the economic and social costs and the benefits to be obtained, such limitation shall not become effective and shall be adjusted as it applies to such person;

(9) Modifying, in its discretion, any requirement or limitation based upon best available technology with respect to any

point source for which a permit application is filed after July 1, 1977 upon a showing by the owner or operator of such point source satisfactory to the agency that such modified requirements will represent the maximum use of technology within the economic capability of the owner or operator and will result in reasonable further progress toward the elimination of the discharge of pollutants (.);

(f) To require to be submitted and to approve plans and specifications for disposal systems or point sources, or any part thereof and to inspect the construction thereof for compliance with the approved plans and specifications thereof;

(g) To prescribe and alter rules and regulations, not inconsistent with law, for the conduct of the agency and other matters within the scope of the powers granted to and imposed upon it by this chapter and, with respect to pollution of waters of the state, in chapter 116, provided that every rule or regulation affecting any other department or agency of the state or any person other than a member or employee of the agency shall be filed with the secretary of state;

(h) To conduct such investigations, issue such notices, public and otherwise, and hold such hearings as are necessary or which it may deem advisable for the discharge of its duties under this chapter and, with respect to the pollution of waters of the state, under chapter 116, including, but not limited to, the issuance of permits, and to authorize any member, employee, or agent appointed by it to conduct such investigations or, issue such notices and hold such hearings;

(i) For the purpose of water pollution control planning by the state and pursuant to the Federal Water Pollution Control Act, as amended, to establish and revise planning areas, adopt plans and programs and continuing planning processes, including, but not limited to, basin plans and areawide waste treatment management plans, and to provide for the implementation of any such plans by means of, including, but not limited to, standards, plan elements, procedures for revision, inter-governmental cooperation, residual treatment process waste controls, and needs inventory and ranking for construction of disposal systems;

(j) To train water pollution control personnel, and charge such fees therefor as are necessary to cover the agency's costs. All such fees received shall be paid into the state treasury and credited to the water pollution control training fund of the agency, from which the agency shall have the power to make disbursements to pay expenses relating to such training;

(k) To impose as additional conditions in permits to publicly owned disposal systems appropriate measures to insure compliance by industrial and other users with any pretreatment

standard, including, but not limited to, those related to toxic pollutants, and any system of user charges ratably as is hereby required under state law or said Federal Water Pollution Control Act, as amended, or any regulations or guidelines promulgated thereunder; (AND)

(1) To set a period not to exceed five years for the duration of any National Pollutant Discharge Elimination System permit; and

*(m) To require a governmental subdivision that owns or operates a wastewater disposal system to have a plan to address the ability to pay costs of major repair and planning and constructing an adequate replacement system at the end of the existing system's expected useful life.*

Sec. 2. Minnesota Statutes 1982, section 116.16, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] In this section and (SECTION) sections 116.17 and 116.18:

(1) Agency means the Minnesota pollution control agency created by this chapter;

(2) Municipality means any county, city, and town, the metropolitan waste control commission established in chapter 473 and the metropolitan council when acting under the provisions of that chapter or an Indian tribe or an authorized Indian tribal organization, and any other governmental subdivision of the state responsible by law for the prevention, control, and abatement of water pollution in any area of the state;

(3) Pollution control fund means the Minnesota state water pollution control fund created by subdivision 1;

(4) Bond account means the Minnesota state water pollution control bond account created in the state bond fund by section 116.17, subdivision 4;

(5) Terms defined in section 115.01 have the meanings therein given them;

(6) The eligible cost of any municipal project, except as otherwise provided in (CLAUSE) clauses (7) and (8), includes (a) preliminary planning to determine the economic, engineering, and environmental feasibility of the project; (b) engineering, architectural, legal, fiscal, economic, sociological, project administrative costs of the agency and the municipality, and other investigations and studies; (c) surveys, designs, plans, working drawings, specifications, procedures, and other actions necessary to the planning, design, and construction of the

project; (d) erection, building, acquisition, alteration, remodeling, improvement, and extension of disposal systems; (e) inspection and supervision of construction; and (f) all other expenses of the kinds enumerated in section 475.65.

(7) For state grant purposes hereunder, the eligible cost for grant applicants shall be the eligible cost as determined by the United States environmental protection agency under the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314, et seq.

(8) *Notwithstanding clause (7), for state grants under section 9, the eligible cost includes the acquisition of land for stabilization ponds and the provision of reserve capacity sufficient to serve the reasonable needs of the municipality for 20 years in the case of treatment works and 40 years in the case of sewer systems. Notwithstanding clause (7), for state grants under section 9, the eligible cost does not include the provision of collector sewers as defined in agency rules, the provision of service to seasonal homes, the control of combined sewer overflow or cost increases from contingencies that exceed three percent of as-bid costs or cost increases from unanticipated site conditions that exceed an additional two percent of as-bid costs.*

Sec. 3. Minnesota Statutes 1982, section 116.16, subdivision 4, is amended to read:

Subd. 4. [DISBURSEMENTS.] Disbursements from the fund shall be made by the state treasurer upon order of the commissioner of finance at the times and in the amounts requested by the agency in accordance with the *applicable state and federal (LAWS AND REGULATIONS AND THE STATE APPROPRIATION ACTS) law* governing such disbursements; except that no appropriation or loan of state funds for any project shall be disbursed to any municipality until and unless the agency has by resolution determined the total estimated cost of the project, and ascertained that financing of the project is assured by:

(1) A grant to the municipality by an agency of the federal government within the amount of funds then appropriated to that agency and allocated by it to projects within the state; or

(2) A grant of funds appropriated by state law; or

(3) A loan authorized by state law; or

(4) The appropriation of proceeds of bonds or other funds of the municipality to a fund for the construction of the project; or

(5) Any or all of the means referred to in paragraphs (1) to (4); and

(6) An irrevocable undertaking, by resolution of the governing body of the municipality, to use all funds so made available exclusively for the construction of the project, and to pay any additional amount by which the cost of the project exceeds the estimate, by the appropriation to the construction fund of additional municipal funds or the proceeds of additional bonds to be issued by the municipality; and

(7) Conformity of the project and of the loan or grant application with the state water pollution control plan as certified to the federal government and with all other conditions under *applicable state and federal (LAWS AND REGULATIONS) law* for a grant of *state or federal funds of the nature and in the amount involved.*

Sec. 4. Minnesota Statutes 1982, section 116.16, subdivision 5, is amended to read:

Subd. 5. [RULES.] (a) The agency shall promulgate *permanent rules and may promulgate temporary rules* for the administration of grants and loans authorized to be made from the fund or from federal funds under the Federal Water Pollution Control Act, as amended, which rules, however, shall not be applicable to the issuance of bonds by the commissioner of finance as provided in section 116.17. The rules shall contain as a minimum:

(1) procedures for application by municipalities;

(2) conditions for the administration of the grant or loan;

(3) criteria for (ELIGIBILITY) *the ranking of projects in order of priority* for grants or loans, (INCLUDING THOSE SPECIFIED IN SUBDIVISION 6) *based on factors including the extent and nature of pollution, technological feasibility, assurance of proper operation, maintenance and replacement, and participation in multi-municipal systems; and*

(4) such other matters as the agency and the director find necessary to the proper administration of the grant program.

(b) *Except as otherwise provided in sections 116.16 to 116.18, the rules for the administration of state grants under section 9, must comply, to the extent practicable, with provisions relating directly to protection of the environment contained in the Federal Water Pollution Control Act, as amended, and regulations and guidelines of the United States environmental protection agency promulgated under the act, except provisions regarding allocation contained in section 205 of the act and regulations and guidelines promulgated under section 205 of the act. This provision does not require approval from federal agencies for the issuance of grants or for the construction of projects under section 9.*

Sec. 5. Minnesota Statutes 1982, section 116.16, subdivision 9, is amended to read:

Subd. 9. [APPLICATIONS.] Applications by municipalities for grants or loans from the fund shall be made to the director of the agency on forms requiring information prescribed by rules of the agency. The director shall certify to the agency those applications which appear to meet the criteria set forth in sections 116.16 to 116.18 and the rules promulgated hereunder, and the agency shall award grants or loans on the basis of the criteria and priorities established in its rules and in sections 116.16 to 116.18. *A municipality that is designated under agency rules to receive state or federal funding for a project and that does not make a timely application for or that refuses the funding is not eligible for either state or federal funding for that project in that fiscal year or the subsequent year.*

Sec. 6. Minnesota Statutes 1982, section 116.16, is amended by adding a subdivision to read:

Subd. 9a. [SUBSEQUENT GRANTS.] *A municipality awarded a final grant of funding for a project, under the program established by the 1972 Federal Water Pollution Control Act amendments or the program established by section 9, is not eligible for additional funding to replace that project under the federal program or the state program, unless the funding is necessary as a result of subsequent changes in state water quality standards, effluent limits, or technical design requirements, or, for a municipality awarded a final grant before October 1, 1984, unless the funding is necessary for the provision of increased capacity.*

Sec. 7. Minnesota Statutes 1983 Supplement, section 116.18, subdivision 1, is amended to read:

116.18 [WATER POLLUTION CONTROL FUNDS; APPROPRIATIONS AND BONDS.]

Subdivision 1. [APPROPRIATION FROM THE FUND.] The sum of (\$155,000,000) *\$167,000,000*, or so much thereof as may be necessary, is appropriated from the Minnesota state water pollution control fund in the state treasury to the pollution control agency, for the period commencing on July 23, 1971 and ending June 30, 1985, to be granted and disbursed to municipalities and agencies of the state in aid of the construction of projects conforming to section 116.16, in accordance with the rules, priorities, and criteria therein described. (EXCEPT AS OTHERWISE PROVIDED IN THIS SUBDIVISION AND IN SUBDIVISION 2, THESE STATE FUNDS SHALL BE EXPENDED AT 15 PER CENTUM OF THE ELIGIBLE COST OF CONSTRUCTION AND SHALL BE EXPENDED ONLY)



*Subd. 2. [STATE MATCHING GRANTS PROGRAM.] (a)* For projects tendered, *by September 30, 1984*, a grant of federal funds under section 201(g), section 202, section 203 or section 206(f) of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314 et seq., at 75 per centum of the eligible cost for construction of the treatment works, *state funds appropriated under subdivision 1 must be expended at 15 percent of the eligible cost of construction, except as otherwise provided in this subdivision*; provided, that not less than ten percent of the cost shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered federal and state grants in a percentage cumulatively exceeding 90 per centum of the eligible cost of construction, the state pollution control agency shall reduce the grant to the municipality under this chapter to the extent necessary to assure that not less than ten percent of the cost shall be paid by the municipality. It is the purpose of this appropriation that a grant of state funds for each project approved in each of the fiscal years ending June 30, 1971 through 1985, shall be made in an amount not less than that required in federal law and regulations as a condition for the grant of federal funds for the project and for all other water pollution control projects for which federal grants are allocated in the same year, in the maximum amount permissible under law and regulations.

(NOTWITHSTANDING ANY OTHER PROVISION, THE AGENCY MAY, IN ITS DISCRETION, AND AFTER CONSIDERATION OF THE AMOUNT OF STATE FUNDS REQUIRED TO MATCH FEDERAL FUNDS, MAKE A GRANT OF STATE FUNDS NOT EXCEEDING 15 PER CENTUM TO A MUNICIPALITY THAT WOULD QUALIFY FOR A GRANT OF FEDERAL FUNDS BUT DESIRES TO INITIATE CONSTRUCTION OF A PROJECT WITHOUT A FEDERAL GRANT. THE AGENCY MAY LIMIT THE SCOPE AND ELIGIBLE COST OF THE PROJECT.)

(b) If a municipality is tendered a grant of federal funds under section 201, paragraph (g), section 202, section 203 or section 206, paragraph (f) of the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1314 et seq., at 85 per cent of the eligible cost for construction of treatment works utilizing innovative or alternative wastewater treatment processes and techniques, state funds shall be expended at nine percent of the eligible cost of construction; provided, that not less than six percent of the eligible cost of construction shall be paid by the municipality or agency constructing the project. In the event that a municipality is tendered federal and state grants in a percentage cumulatively exceeding 94 per cent of the eligible cost of construction, the state pollution control agency shall reduce the grant to the municipality under this chapter to the extent necessary to assure that the municipality receives no more than 94 per cent of the eligible cost of construction.

Sec. 8. Minnesota Statutes 1982, section 116.18, subdivision 2, is amended to read:

(SUBD. 2. [ADDITIONAL PURPOSES OF APPROPRIATION.]) (c) If the pollution control agency, acting in accordance with section 116.16, subdivision 4 and rules promulgated by the agency establishing criteria for financial hardship cases, determines that the prevention, control, and abatement of water pollution and the public health of the state requires the construction of a project by a municipality or agency that is unable to provide 10 percent of the eligible cost thereof, the funds appropriated in subdivision 1 may be expended to reduce or eliminate its contribution to the eligible cost.

Sec. 9. Minnesota Statutes 1982, section 116.18, is amended by adding a subdivision to read:

*Subd. 3a. [STATE INDEPENDENT GRANTS PROGRAM.] (a) The agency may award grants for projects for 50 percent or, if the agency requires advanced treatment, 65 percent of the eligible cost of construction. These grants may be awarded in separate steps for planning and design in addition to actual construction. Not more than 20 percent of the total amount of grants awarded under this subdivision in any single fiscal year may be awarded to any single grantee.*

*(b) Up to ten percent of the funds to be awarded as grants under this subdivision in any single fiscal year shall be set aside for municipalities having substantial economic development projects that cannot come to fruition without municipal wastewater treatment improvements. The agency shall forward its municipal needs list to the commissioner of energy and economic development at the beginning of each fiscal year, and the commissioner shall review the list and identify those municipalities having such substantial economic development projects. After the first 90 percent of the total available funds are allocated to municipalities in accordance with agency priorities, the set-aside shall be used by the agency to award grants to remaining municipalities that have been identified.*

*(c) Grants may also be awarded under this subdivision to reimburse municipalities willing to proceed with projects and apply to be reimbursed in the subsequent year conditioned upon appropriation of sufficient funds under subdivision 1 for that year. The maximum amount of the reimbursement the agency may commit in any single fiscal year is equal to the amount newly appropriated under subdivision 1 for that year.*

Sec. 10. Minnesota Statutes 1982, section 116.18, subdivision 4, is amended to read:

Subd. 4. [BOND AUTHORIZATION.] For the purpose of providing money appropriated in subdivision 1 for expenditure from the Minnesota state water pollution control fund through grants to municipalities and agencies of the state for the acquisition and betterment of public land, buildings, and improvements of a capital nature needed for the prevention, control, and abatement of water pollution, the commissioner of finance is authorized upon request of the pollution control agency to sell and issue Minnesota state water pollution control bonds in the amount of (\$144,000,000) \$156,000,000, in the manner and upon the conditions prescribed in section 116.17 and in the Constitution, Article XI, Sections 4 to 7. The proceeds of the bonds, except as provided in section 116.17, subdivision 5, are appropriated and shall be credited to the Minnesota state water pollution control fund. The amount of bonds issued pursuant to this authorization shall not exceed at any time the amount needed to produce a balance in the water pollution control fund equal to the aggregate amount of grants then approved and not previously disbursed, plus the amount of grants to be approved in the current and the following fiscal year, as estimated by the pollution control agency.

Sec. 11. [APPROPRIATION; COMPLEMENT.]

*The sum of \$ . . . is appropriated from the general fund to the director of the pollution control agency to administer sections 1 to 10. The complement of the pollution control agency is increased by . . . . positions.*

Sec. 12. [REPEALER.]

*Minnesota Statutes 1982, section 116.16, subdivisions 6 and 7, are repealed.*

Sec. 13. [EFFECTIVE DATE.]

*Sections 1 to 12 are effective the day following final enactment."*

Amend the title as follows:

Page 1, line 7, after the semi-colon insert "116.18, subdivisions 2 and 4, and by adding a subdivision;"

Page 1, line 7, delete "amending"

Page 1, line 8, after "116.18" 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.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1770, A bill for an act relating to the city of Minneapolis; authorizing compensation for members of the park and recreation board; amending Laws 1974, chapter 181, section 1, as amended.

Reported the same back with the following amendments:

Page 1, line 14, delete "*shall*" and insert "*may*"

Page 1, line 16, after the stricken "*compensation*" insert "*up to*"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1772, A bill for an act relating to corrections; clarifying the effect of punitive segregation confinement on an inmate's scheduled release date; amending Minnesota Statutes 1983 Supplement, sections 244.04, subdivision 1; and 244.05, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 244.04, subdivision 1, is amended to read:

Subdivision 1. [REDUCTION OF SENTENCE.] Notwithstanding the provisions of section 609.11, subdivision 6, and section 609.346, subdivision 1, the term of imprisonment of any inmate sentenced to a presumptive fixed sentence after May 1, 1980, shall be reduced in duration by one day for each two days during which the inmate violates none of the disciplinary offense rules promulgated by the commissioner. The reduction shall accrue to the period of supervised release to be served by the inmate.

*Except as otherwise provided in subdivision 2, if an inmate violates a disciplinary offense rule promulgated by the commissioner, good time earned prior to the violation may not be taken*

away, but the inmate may be required to serve an appropriate portion of his term of imprisonment after the violation without earning good time.

Sec. 2. Minnesota Statutes 1982, section 244.04, subdivision 2, is amended to read:

Subd. 2. [LOSS OF GOOD TIME.] By May 1, 1980, the commissioner shall promulgate rules specifying disciplinary offenses which may result in the loss of good time and the amount of good time which may be lost as a result of each disciplinary offense, including provision for restoration of good time. In no case shall an individual disciplinary offense result in the loss of more than 90 days of good time; except that no inmate confined in segregation for violation of a disciplinary rule shall be placed on supervised release until discharged or released (THERE-FROM) from *punitive segregation confinement*, nor shall an inmate in segregation for violation of a disciplinary rule for which he could also be prosecuted under the criminal laws earn good time while in segregation. The loss of good time shall be considered to be a disciplinary sanction imposed upon an inmate, and the procedure for the loss of good time and the rights of the inmate in the procedure shall be those in effect for the imposition of other disciplinary sanctions at each state correctional institution.

Sec. 3. Minnesota Statutes 1983 Supplement, section 244.05, subdivision 1, is amended to read:

Subdivision 1. [SUPERVISED RELEASE REQUIRED.] Except as provided in subdivisions 4 and 5, every inmate shall serve a supervised release term upon completion of his term of imprisonment as reduced by any good time earned by the inmate or extended by confinement in *punitive segregation pursuant to section 244.04, subdivision 2*. The supervised release term shall be equal to the period of good time the inmate has earned, and shall not exceed the length of time remaining in the inmate's sentence.

Sec. 4. [EFFECTIVE DATE.]

*Sections 1 to 3 are effective the day after final enactment."*

Amend the title as follows:

Page 1, line 3, delete "an inmate's" and insert "the"

Page 1, line 4, before the semicolon insert "of certain inmates"

Page 1, line 4, after "Statutes" insert "1982, section 244.04, subdivision 2; and Minnesota Statutes"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1790, A bill for an act relating to metropolitan government; specifying the duties of the chair, chief administrator, and commission relating to employment decisions; amending Minnesota Statutes 1982, section 473.141, subdivisions 9, 11, and 12; Minnesota Statutes 1983 Supplement, section 473.141, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 473.503, is amended to read:

**473.503 [METROPOLITAN WASTE CONTROL COMMISSION; ESTABLISHMENT; ADMINISTRATION.]**

A metropolitan waste control commission is established and (SHALL BE) *is* organized, structured and administered as provided in section 473.141, *except as otherwise provided in this section. The commission may establish in the unclassified service the positions of internal auditor, general counsel, and policy analyst. Persons appointed to these positions must be supervised by and report directly to the commission. Decisions on the appointment, promotion, demotion, suspension, and removal of persons filling these positions must be made by the commission upon recommendation by the chair. The board shall act within 30 days on employment decisions recommended by the chair. The internal auditor and the general counsel may be removed by the commission only upon a showing of just cause, as defined in section 43A.33, subdivision 2. The commission may transfer subordinate positions existing in the classified service to the office of internal auditor, general counsel, or policy analyst. These positions are to be filled and supervised directly by and report directly to the internal auditor, general counsel, or policy analyst.*

Sec. 2. [EFFECTIVE DATE.]

*Section 1 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 metropolitan government; providing terms of employment for certain employees of the metropolitan waste control commission; amending Minnesota Statutes 1982, section 473.503.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1809, A bill for an act relating to crimes; authorizing aggregation of thefts in medicaid fraud cases; extending the statute of limitations in medicaid fraud cases; amending Minnesota Statutes 1982, section 628.26; Minnesota Statutes 1983 Supplement, section 609.52, subdivision 3.

Reported the same back with the following amendments:

Page 2, line 24, strike "(a), (b)" and "(c)" and delete the new language

Page 3, line 15, after "2" insert ", clause"

Page 3, line 25, delete "Sections 1 and 2 are" and insert "Section 1 is"

Page 3, line 25, delete "apply" and insert "applies"

Page 3, line 26, after the period insert "Section 2 is effective August 1, 1984."

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. 1831, A bill for an act relating to transportation; increasing special permit fees for vehicles exceeding weight limitations; amending Minnesota Statutes 1983 Supplement, section 169.86, subdivision 5.

Reported the same back with the following amendments:

Page 2, line 7, after "an" insert "oversize"

Page 3, after line 8, insert:

"(f) As an alternative to paragraph (e), an annual permit may be issued for overweight, or oversize and overweight, construction equipment, machinery, and supplies. The fees for the permit are as follows:

<i>Gross Weight (pounds) of vehicle</i>	<i>Annual Permit Fee</i>
90,000 or less	\$200.00
90,001 - 100,000	\$300.00
100,001 - 110,000	\$400.00
110,001 - 120,000	\$500.00
120,001 - 130,000	\$600.00
130,001 - 140,000	\$700.00

*If the gross weight of the vehicle is more than 140,000 pounds the permit fee is determined under paragraph (e)."*

Page 3, line 9, delete "(f)" and insert "(g)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 1845, A bill for an act relating to motor vehicles; defining terms; increasing certain gross vehicle weight tax to comply with international registration plan; authorizing repair and servicing permit for commercial zone trucks; providing time limitation for applying for quarterly registration of farm trucks; reducing 2,000-pound limitation to three-fourths ton for motor vehicles in certain situations; increasing certain fees; clarifying display and use of drive-away, in-transit plates; clarifying requirement to submit forms to registrar of motor vehicles; prohibiting transfer of certain plates; providing for transfer of amateur radio and citizen band plates; prescribing uniform fee for issuance of duplicate plates except for exempt vehicles; increasing minimum tax requirements for qualification for installment payments and prescribing a fee; requiring a bond in the amount of tax to be paid in installments; increasing penalty fees for late installment payments; clarifying certain duties of deputy registrars relating to reports and deposits of taxes and fees; requiring payment of one month's registration tax before issuance of certificate of title; amending Minnesota Statutes 1982, sections 168.011, subdivisions 9, 13, 28, and 29; 168.013, subdivision 16; 168.018; 168.041, subdivision 6; 168.053, subdivision 1; 168.10, subdivisions 1a, 1b, 1c, and 1d; 168.101, subdivision 2; 168.12, subdivisions 1 and 2b; 168.29; 168.31, subdivision 4; 168.33, subdivision 2; 168A.08; and 169.01, subdivisions



10, 11, and 50; Minnesota Statutes 1983 Supplement, sections 168.013, subdivision 1e; 168.021, subdivision 1; 168.12, subdivision 2; and 169.73.

Reported the back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 168.011, subdivision 9, is amended to read:

Subd. 9. [BUS; INTERCITY BUS.] (a) “Bus” means (ANY) *every* motor vehicle designed (AND USED) for (THE) carrying (OF) more than (EIGHT PERSONS) *ten passengers and used for transporting persons, and every motor vehicle, other than a taxicab, designed and used for transporting persons for compensation.*

*The term “bus” does not include a vehicle designed for carrying more than ten passengers but not more than 14 passengers and operated for the personal or family use of the owner or operator.*

(b) “Intercity bus” means any bus operating as a common passenger carrier over regular routes and between fixed termini, but excluding all buses operating wholly within the limits of one city, or wholly within two or more contiguous cities, or between contiguous cities and a terminus outside the corporate limits of such cities, and not more than 20 miles distant measured along the fixed route from such corporate limits.

Sec. 2. Minnesota Statutes 1982, section 168.011, subdivision 13, is amended to read:

Subd. 13. [TRAILER.] “Trailer” means any vehicle designed for carrying property or passenger on its own structure and for being drawn by a motor vehicle but shall not include a trailer drawn by a truck-tractor semitrailer combination, or an auxiliary axle on a motor vehicle which carries a portion of the weight of the motor vehicle to which it is attached.

Sec. 3. Minnesota Statutes 1983 Supplement, section 168.013, subdivision 1e, is amended to read:

Subd. 1e. [TRUCKS; TRACTORS; COMBINATIONS; EXCEPTIONS.] On trucks and tractors except those in this chapter defined as farm trucks, and urban trucks, and on truck-tractor and semitrailer combinations except those defined as farm combinations and urban combinations and on commercial zone vehicles, the tax based on total gross weight shall be graduated according to the Minnesota base rate schedule prescribed in this subdivision, but in no event less than \$120.

## Minnesota Base Rate Schedule

Scheduled taxes include five percent  
surtax provided for in subdivision 14

TOTAL GROSS WEIGHT IN POUNDS		TAX
A	0 - 1,500	\$ 15
B	1,501 - 3,000	20
C	3,001 - 4,500	25
D	4,501 - 6,000	35
E	6,001 - 9,000	45
F	9,001 - 12,000	70
G	12,001 - 15,000	105
H	15,001 - 18,000	145
I	18,001 - 21,000	190
J	21,001 - (27,000) <i>26,000</i>	270
K	(27,001) <i>26,001</i> - 33,000	360
L	33,001 - 39,000	470
M	39,001 - 45,000	590
N	45,001 - 51,000	710
O	51,001 - 57,000	860
P	57,001 - 63,000	1010
Q	63,001 - 69,000	1180
R	69,001 - 73,280	1320
S	73,281 - 78,000	1520
T	78,001 - 81,000	1620

For each vehicle with a gross weight in excess of 81,000 pounds an additional tax of \$50 is imposed for each ton or

fraction thereof in excess of 81,000 pounds, subject to subdivision 12.

Truck-tractors except those herein defined as farm and urban truck-tractors and commercial zone vehicles shall be taxed in accord with the foregoing gross weight tax schedule on the basis of the combined gross weight of the truck-tractor and any semitrailer or semitrailers which the applicant proposes to combine with the truck-tractor. In addition, to the gross weight tax imposed on the truck-tractor, each semitrailer shall be taxed a fee of \$10 for a one-year period or \$50 for a five-year period whichever the applicant elects.

Commercial zone trucks include only trucks, truck-tractors, and semitrailer combinations which are:

(1) used by an authorized local cartage carrier operating under a permit issued under section 221.296 and whose gross transportation revenue consists of at least 60 percent obtained solely from local cartage carriage, and are operated solely within an area composed of two contiguous cities of the first class and municipalities contiguous thereto as defined by section 221.011, subdivision 17; or,

(2) operated by an interstate carrier registered under section 221.61 or 221.62, or by an authorized local cartage carrier or other carrier receiving operating authority under chapter 221, and operated solely within a zone exempt from regulation by the interstate commerce commission pursuant to United States Code, title 49, section 10526(b).

The license plates issued for commercial zone vehicles shall be plainly marked. A person operating a commercial zone vehicle outside the zone or area in which its operation is authorized is guilty of a misdemeanor and, in addition to the penalty therefor, shall have the registration of the vehicle as a commercial zone vehicle revoked by the registrar and shall be required to reregister the vehicle at 100 percent of the full annual tax prescribed in the Minnesota base rate schedule, and no part of this tax shall be refunded during the balance of the registration year.

On commercial zone trucks the tax shall be based on the total gross weight of the vehicle and during the first eight years of vehicle life shall be 75 percent of the Minnesota base rate schedule. During the ninth and succeeding years of vehicle life the tax shall be 50 percent of the Minnesota base rate schedule, except as otherwise provided in this subdivision. On commercial zone trucks, during the ninth and succeeding years of vehicle life, the tax shall be:

(a) for the 1982 registration year, 35 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the 1983 registration year, 40 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the 1984 registration year, 45 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the 1985 registration year, and each succeeding year, 50 percent of the tax imposed in the Minnesota base rate schedule.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, the tax for the first eight years of vehicle life shall be 100 percent of the tax imposed in the Minnesota base rate schedule, and during the ninth and succeeding years of vehicle life, the tax shall be 75 percent of the Minnesota base rate prescribed by this subdivision, except as otherwise provided in this subdivision.

On trucks, truck-tractors and semitrailer combinations, except those defined as farm trucks and farm combinations, and except for those urban trucks and combinations and commercial zone vehicles specifically provided for in this subdivision, during each of the first eight years of vehicle life the tax shall be:

(a) for the registration year 1982, 83 percent of the tax imposed in the Minnesota base rate schedule;

(b) for the registration year 1983, 89 percent of the tax imposed in the Minnesota base rate schedule;

(c) for the registration year 1984, 95 percent of the tax imposed in the Minnesota base rate schedule;

(d) for the registration year 1985, and each succeeding year, 100 percent of the tax imposed in the Minnesota base rate schedule.

Sec. 4. Minnesota Statutes 1982, section 168.013, subdivision 16, is amended to read:

Subd. 16. [REPAIR AND SERVICING PERMIT.] Upon the written application of the owner of a motor vehicle registered and taxed as a *commercial zone truck*, an urban truck, a truck tractor, a semitrailer, or any combination thereof in accordance with this section, the registrar may grant permission in writing to such owner to operate such vehicle to and from a repair shop or service station outside of its licensed zone of operation for the limited purpose of repair or servicing. The application and any permit issued under this subdivision shall state the location of the repair or servicing facility, together with such

other information and subject to such conditions as the registrar may specify. Any motor vehicle operated under such a permit shall carry no load.

Sec. 5. Minnesota Statutes 1982, section 168.018, is amended to read:

168.018 [QUARTERLY REGISTRATION OF FARM TRUCKS.]

The owner of any farm truck as defined in section 168.011, subdivision 17, may elect to register and license the farm truck only for one or more quarters of a registration year, at a tax of one-fourth of the annual tax on the vehicle plus \$5 for each quarterly registration. *The owner may not apply for quarterly registration or renewal until seven days before the selected quarter or concurrent quarters.* The expiration date of a registration shall be displayed on the license plate in such a manner as the registrar shall direct. No farm truck registered on a quarterly basis shall be operated on the public streets and highways more than ten days beyond the end of the quarter for which it is registered unless the registration has been renewed for another quarter or for the remainder of the registration year.

For purposes of this section registration quarters shall begin on March 1, June 1, September 1, and December 1.

Sec. 6. Minnesota Statutes 1982, section 168.041, subdivision 6, is amended to read:

Subd. 6. Any such violator or owner may apply to the registrar of motor vehicles for new registration plates which shall bear a special series number which may be readily identified by traffic law enforcement officers. A fee of (\$3) \$5 shall accompany the application. The registrar of motor vehicles shall forthwith notify the court of such application. The court may return the registration certificate of such violator or owner to the registrar of motor vehicles, together with its consent to the issuance of such registration plates to such violator or owner. Thereupon the registrar of motor vehicles shall issue such new registration plates. Until the drivers license of such violator is reinstated, any new registration plates issued to him or to an owner whose plates have been impounded shall bear a special series number.

Sec. 7. Minnesota Statutes 1982, section 168.053, subdivision 1, is amended to read:

Subdivision 1. Any person, firm, or corporation engaged in the business of transporting motor vehicles, not his own, by delivering, by drive-away or towing methods, either singly or by means of the full mount method, the saddle mount method, the tow-bar method, or any other combination thereof, and under

their own power, vehicles over the highways of the state from the manufacturer or any other point of origin, to any point of destination, within or without the state, shall make application to the registrar for a drive-away in transit license. This application for annual license shall be accompanied by a registration fee of \$250 and contain such information as the registrar may require. Upon the filing of the application and the payment of the fee, the registrar shall issue to each drive-away operator a general distinguishing number, which number must be carried and displayed (BY EACH MOTOR VEHICLE IN LIKE MANNER AS IS NOW PROVIDED BY LAW FOR VEHICLES WHILE BEING OPERATED UPON THE PUBLIC HIGHWAYS) *on the power unit consistent with section 169.79* and such number shall remain on the vehicle (FROM THE MANUFACTURER, OR ANY POINT OF ORIGIN, TO ANY POINT OF DESTINATION) *while being operated* within (OR BEYOND) the state. Additional plates bearing the same distinguishing number desired by any drive-away operator may be secured from the registrar of motor vehicles upon the payment of a fee of \$2 for each set of additional license plates. Any person, firm, or corporation engaging in the business as a drive-away operator, of transporting and delivering by means of full mount method, the saddle mount method, the tow-bar method, or any combination thereof, and under their own power, motor vehicles, who fails or refuses to file or cause to be filed an application, as is required by law, and to pay the fees therefor as the law requires, shall be found guilty of violating the provisions of sections 168.053 to 168.057; and, upon conviction, fined not less than \$50, and not more than \$100, and all costs of court. Each day so operating without securing the license and plates as required therein shall constitute a separate offense within the meaning thereof.

Sec. 8. Minnesota Statutes 1982, section 168.09, subdivision 2, is amended to read:

Subd. 2. When a motor vehicle registered in Minnesota, has during the calendar year for which it is so registered, been re-registered for the following year, the display on such motor vehicle of the plates issued for such motor vehicle on its re-registration for the following year shall on and after November 15 of the calendar year in which it was so re-registered constitute compliance with subdivision 1 requiring display of plates except as provided in (SUBDIVISION) *subdivisions 3 and 4.*

Sec. 9. Minnesota Statutes 1982, section 168.09, subdivision 3, is amended to read:

Subd. 3. Plates or other insignia issued for a motor vehicle registered under the provisions of section 168.187 for a calendar year shall be displayed on the motor vehicle not later than 12:01 a.m. on March 2 of the year unless extended by the registrar for

the period of time required for the issuance of the new plates or insignia. Plates or other insignia issued for a self-propelled motor vehicle registered for over 27,000 pounds except a motor vehicle registered under the provision of sections 168.017 and 168.187 shall be displayed on the vehicle not later than 12:01 a.m. on March 2 of the year, nor earlier than 12:01 a.m. on February 15 of the year, unless otherwise extended by the registrar for the period of time required for the issuance of the new plates or insignia. Plates or other insignia issued for a self-propelled vehicle registered for 27,000 pounds or less and all other motor vehicles except those registered under the provisions of section 168.017 or 168.187 shall be displayed not later than 12:01 a.m. on March 2 of the year, and not earlier than (NOVEMBER 15) *January 1* of the (PRECEDING) year unless otherwise extended by the registrar for the period of time required for the issuance of the new plates or insignia. The commissioner of public safety shall register all motor vehicles with the exception of those registered under sections 168.017 or 168.187 for a period of 14 months for the registration year 1978 to implement the provisions of this subdivision. The registration year for all vehicles as provided in this section shall be from March 1 to the last day of February for 1979 and succeeding years.

Sec. 10. Minnesota Statutes 1982, section 168.10, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION.] Except as provided in subdivisions 1a, 1b, 1c, 1d and 1g, every owner of any motor vehicle in this state, not exempted by section 168.012 or 168.26, shall as soon as ownership of a motor vehicle is acquired and annually thereafter during the period (NOVEMBER 15 TO MARCH 1 FOLLOWING, BOTH DATES INCLUSIVE) *provided in section 168.31*, file with the commissioner of public safety on a blank provided by him a listing for taxation and application for the registration of such vehicle, stating the first, middle and last names, the dates of birth, and addresses of all owners thereof who are natural persons, the full names and addresses of all other owners, the name and address of the person from whom purchased, make of motor vehicle, year and number of the model, manufacturer's identification number or serial number, type of body, the weight of the vehicle in pounds, for trailers only, its rated load carrying capacity and for buses only, its seating capacity, and such other information as the commissioner may require. Any false statement wilfully and knowingly made in regard thereto shall be deemed perjury and punished accordingly. The listing and application for registration by dealers or manufacturers' agents within the state, of motor vehicles received for sale or use within the state shall be accepted as compliance with the requirements of this chapter, imposed upon the manufacturer.

Registration shall be refused a motor vehicle if the original identification or serial number has been destroyed, removed,

altered, covered or defaced. However, if the commissioner is satisfied on the sworn statements of the owner or owners or such other persons as he may deem advisable that the applicant is the legal owner, a special identification number in the form prescribed by the commissioner shall be assigned to the motor vehicle. When it has been determined that the number had been affixed to such vehicle in a manner prescribed by the commissioner, the vehicle may thereafter be registered in the same manner as other motor vehicles. In the case of a new or rebuilt motor vehicle manufactured or assembled without an identification or serial number, the commissioner may assign an identification number to the motor vehicle in the same manner as prescribed heretofore.

Sec. 11. Minnesota Statutes 1982, section 168.10, subdivision 1a, is amended to read:

Subd. 1a. [COLLECTOR'S VEHICLES, PIONEER LICENSE.] Any motor vehicle manufactured prior to 1936 and owned and operated solely as a collector's item shall be listed for taxation and registration as follows: An affidavit shall be executed stating the name and address of the owner, the name and address of the person from whom purchased, the make of the motor vehicle, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. If the registrar is satisfied that the affidavit is true and correct and the owner pays a (\$6) \$25 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates so issued shall bear the inscription "Pioneer," "Minnesota" and the registration number but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke said plates for failure to comply with this subdivision.

(IN THE EVENT OF THE DEFAACEMENT, LOSS OR DESTRUCTION OF SUCH NUMBER PLATES, THE REGISTRAR, UPON RECEIVING AND FILING A SWORN STATEMENT OF THE VEHICLE OWNER, SETTING FORTH THE CIRCUMSTANCES, TOGETHER WITH ANY DEFACED PLATES AND THE PAYMENT OF A \$2 FEE, SHALL ISSUE DUPLICATE PLATES SPECIALLY DESIGNED FOR THAT PURPOSE. THE REGISTRAR SHALL THEN NOTE ON HIS RECORDS THE ISSUE OF SUCH NEW NUMBER PLATES AND SHALL PROCEED IN SUCH MANNER AS HE MAY DEEM ADVISABLE TO CANCEL AND CALL IN THE ORIGINAL PLATES.)

Sec. 12. Minnesota Statutes 1982, section 168.10, subdivision 1b, is amended to read:



Subd. 1b. [COLLECTOR'S VEHICLE, CLASSIC CAR LICENSE.] Any motor vehicle manufactured between and including the years 1925 and 1948, and designated by the registrar of motor vehicles as a classic car because of its fine design, high engineering standards, and superior workmanship, and owned and operated solely as a collector's item shall be listed for taxation and registration as follows: An affidavit shall be executed stating the name address of the owner, the name and address of the person from whom purchased, the make of the motor vehicle, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. If the registrar is satisfied that the affidavit is true and correct and that the motor vehicle qualifies to be classified as a classic car, and the owner pays a (\$6) \$25 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates so issued shall bear the inscription "Classic Car," "Minnesota," and the registration number but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke said plates for failure to comply with this subdivision.

(IN THE EVENT OF THE DEFACEMENT, LOSS OR DESTRUCTION OF SUCH NUMBER PLATES, THE REGISTRAR, UPON RECEIVING AND FILING A SWORN STATEMENT OF THE VEHICLE OWNER, SETTING FORTH THE CIRCUMSTANCES, TOGETHER WITH ANY DEFACED PLATES AND THE PAYMENT OF A \$2 FEE, SHALL ISSUE DUPLICATE PLATES SPECIALLY DESIGNED FOR THAT PURPOSE. THE REGISTRAR SHALL THEN NOTE ON HIS RECORDS THE ISSUE OF SUCH NEW NUMBER PLATES AND SHALL PROCEED IN SUCH MANNER AS HE MAY DEEM ADVISABLE TO CANCEL AND CALL IN THE ORIGINAL PLATES.)

The following cars built between and including 1925 and 1948 are classic:

A.C.

Adler

Alfa Romeo

Alvis                                      Speed 20, 25, and 4.3 litre.

Amilcar

Aston Martin

Auburn	All 8-cylinder and 12-cylinder models.
Audi	
Austro-Daimler	
Avions Voisin 12	
Bentley	
Blackhawk	
B.M.W.	Models 327, 328, and 335 only.
Brewster (Heart-front Ford)	
Bugatti	
Buick	1931 through 1942: series 90 only.
Cadillac	All 1925 through 1935. 1936-1948: Series 67, 70, 72, 75, 80, 85 and 90 only. 1938-1941: 60 special only.
Chrysler	1926 through 1930: Imperial 80. 1931: Imperial 8 Series CG. 1932: Series CG, CH and CL. 1933: Series CL. 1934: Series CW. 1935: Series CW. All Newports and Thunderbolts.
Cord	
Cunningham	
Dagmar	Model 25-70 only.
Daimler	
Delage	
Delahaye	
Doble	
Dorris	

Dusenberg

du Pont

Franklin

All models except 1933-34 Olympic Sixes.

Frazer Nash

Hispano Suiza

Horch

Hotchkiss

Invicta

Isotta Fraschini

Jaguar

Jordan

Speedway Series 'Z' only.

Kissel

1925, 1926 and 1927: Model 8-75.  
1928: Model 8-90, and 8-90 White Eagle.  
1929: Model 8-126, and 8-90 White Eagle.  
1930: Model 8-126.  
1931: Model 8-126.

Lagonda

Lancia

La Salle

1927 through 1933 only.

Lincoln

All models K, L, KA, and KB.  
1941: Model 168H.  
1942: Model 268H.

Lincoln

Continental

1939 through 1948.

Locomobile

All models 48 and 90.  
1927: Model 8-80.  
1928: Model 8-80.  
1929: Models 8-80 and 8-88.

Marmon	All 16-cylinder models. 1925: Model 74. 1926: Model 74. 1927: Model 75. 1928: Model E75. 1930: Big 8 model. 1931: Model 88, and Big 8.
Maybach	
McFarlan	
Mercedes Benz	All models 2.2 litres and up.
Mercer	
M.G.	6-cylinder models only.
Minerva	
Packard	1925 through 1934: All models. 1935 through 1942: Models 1200, 1201, 1202, 1203, 1204, 1205, 1207, 1208, 1400, 1401, 1402, 1403, 1404, 1405, 1407, 1408, 1500, 1501, 1502, 1506, 1507, 1508, 1603, 1604, 1605, 1607, 1608, 1705, 1707, 1708, 1806, 1807, 1808, 1906, 1907, 1908, 2006, 2007, and 2008 only. 1946 and 1947: Models 2106 and 2126 only.
Peerless	1926 through 1928: Series 69. 1930-1931: Custom 8. 1932: Deluxe Custom 8.
Pierce Arrow	
Railton	
Renault	Grand Sport model only.
Reo	1930-1931: Royale Custom 8, and Series 8-35 and 8-52 Elite 8. 1933: Royale Custom 8.
Revere	
Roamer	1925: Series 8-88, 6-54e, and 4-75. 1926: Series 4-75e, and 8-88. 1927-1928: Series 8-88. 1929: Series 8-88, and 8-125. 1930: Series 8-125.

Rohr

Rolls Royce

Ruxton

Salmson

Squire

Stearns Knight

Stevens Duryea

Steyr

Stutz

Sunbeam

Talbot

Vauxhall

Series 30-98 only.

Wills Saint Claire

No commercial vehicles such as hearses, ambulances, or trucks are considered to be classic cars.

Sec. 13. Minnesota Statutes 1982, section 168.10, subdivision 1c, is amended to read:

Subd. 1c. [COLLECTOR'S VEHICLE, COLLECTOR LICENSE.] Any motor vehicle, including any truck, that is at least 20 model years old and manufactured after 1935, or any motor vehicle of a defunct make defined as any car or truck originally licensed as a separate identifiable make as designated by the division of motor vehicles, and owned and operated solely as a collector's vehicle, shall be listed for taxation and registration as follows: An affidavit shall be executed stating the name and address of the person from whom purchased and of the new owner, the make of the motor vehicle, year and number of the model, the manufacturer's identification number and that the vehicle is owned and operated solely as a collector's item and not for general transportation purposes. The owner must also prove that he or she also has one or more vehicles with regular license plates. If the registrar is satisfied that the affidavit is true and correct and the owner pays a (\$20) \$25 tax, the registrar shall list the vehicle for taxation and registration and shall issue number plates.

The number plates issued shall bear the inscription "Collector," "Minnesota" and the registration number, but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for the vehicle. The registrar has the power to revoke the plates for failure to comply with this subdivision.

(IN THE EVENT OF THE DEFAACEMENT, LOSS OR DESTRUCTION OF THE NUMBER PLATES, THE REGISTRAR, UPON RECEIVING AND FILING A SWORN STATEMENT OF THE VEHICLE OWNER, SETTING FORTH THE CIRCUMSTANCES, TOGETHER WITH ANY DEFACED PLATES AND THE PAYMENT OF A \$2 FEE, SHALL ISSUE DUPLICATE PLATES SPECIALLY DESIGNED FOR THAT PURPOSE. THE REGISTRAR SHALL THEN NOTE ON HIS RECORDS THE ISSUE OF THE NEW NUMBER PLATES AND SHALL PROCEED IN THE MANNER AS HE MAY DEEM ADVISABLE TO CANCEL AND CALL IN THE ORIGINAL PLATES.)

Sec. 14. Minnesota Statutes 1982, section 168.10, subdivision 1d, is amended to read:

Subd. 1d. [COLLECTORS VEHICLES, STREET ROD LICENSE.] Any modernized motor vehicle manufactured prior to the year 1949 or designed and manufactured to resemble such vehicle shall be listed for taxation and registration as follows:

An affidavit shall be executed stating the name and address of the person from whom purchased and of the new owner, the make of the motor vehicle, year number of model, and the manufacturer's identification number. The affidavit shall further state that the vehicle is owned and operated solely as a street rod and not for general transportation purposes. The owner must also prove that he or she has one or more vehicles with regular license plates. If the registrar is satisfied that the affidavit is true and correct and the owner pays a \$25 tax, the registrar shall list such vehicle for taxation and registration and shall issue number plates.

The number plates issued shall bear the inscription "Street Rod", "Minnesota" and the registration number but no date. The number plates are valid without renewal as long as the vehicle is in existence and shall be issued for the applicant's use only for such vehicle. The registrar has the power to revoke such plates for failure to comply with this subdivision.

(IN THE EVENT OF THE DEFAACEMENT, LOSS OR DESTRUCTION OF SUCH NUMBER PLATES, THE REGISTRAR, UPON RECEIVING AND FILING A SWORN STATEMENT OF THE VEHICLE'S OWNER, SETTING FORTH THE CIRCUMSTANCES, TOGETHER WITH ANY DEFACED PLATES AND THE PAYMENT OF A \$5 FEE,

SHALL ISSUE DUPLICATE PLATES SPECIFICALLY DESIGNED FOR THAT PURPOSE. THE REGISTRAR SHALL THEN NOTE ON HIS RECORDS THE ISSUE OF SUCH NEW NUMBER PLATES AND SHALL PROCEED IN SUCH A MANNER AS HE MAY DEEM ADVISABLE TO CANCEL AND CALL IN THE ORIGINAL PLATES.)

Sec. 15. Minnesota Statutes 1982, section 168.101, subdivision 2, is amended to read:

Subd. 2. Any person who knowingly sells or in any manner knowingly transfers title of a passenger automobile or truck to a person who is prohibited from owning a passenger automobile or truck under the provisions of subdivision 1 shall be guilty of a misdemeanor. Any person who knowingly fails to mail in the application for registration or transfer to the registrar of motor vehicles or otherwise (SUBMITS) *fails to submit* said forms to him within 14 days following date of sale shall be guilty of a misdemeanor.

Sec. 16. Minnesota Statutes 1982, section 168.12, subdivision 1, is amended to read:

Subdivision 1. [NUMBER PLATES; VISIBILITY, PERIODS OF ISSUANCE.] The registrar, upon the approval and payment, shall issue to the applicant the number plates required by law, bearing (AN ABBREVIATION OF) the state name and the number assigned. The number assigned may be a combination of a letter or sign with figures. The color of the plates and the color of the abbreviation of the state name and the number assigned shall be in marked contrast. The plates shall be lettered, spaced, or distinguished to suitably indicate the registration of the vehicle according to the rules of the registrar, and when a vehicle is registered on the basis of total gross weight, the plates issued shall clearly indicate by letters or other suitable insignia the maximum gross weight for which the tax has been paid. These number plates shall be so treated as to be at least 100 times brighter than the conventional painted number plates. When properly mounted on an unlighted vehicle, these number plates, when viewed from a vehicle equipped with standard headlights, shall be visible for a distance of not less than 1,500 feet and readable for a distance of not less than 110 feet. The registrar shall issue these number plates for the following periods:

(1) Number plates issued pursuant to sections 168.27, subdivisions 16 and 17, and 168.053 shall be for a one year period;

(2) New number plates issued pursuant to section 168.012, subdivision 1, shall be issued to a vehicle for as long as it is owned by the exempt agency and shall not be transferable from one vehicle to another but may be transferred with the vehicle from one tax exempt agency to another;

(3) Plates issued for passenger automobiles as defined in section 168.011, subdivision 7, shall be issued for the life of the vehicle; and

(4) Plates for any vehicle not specified in clauses (1), (2) and (3), except for trailers as hereafter provided, shall be issued for the life of the vehicle. Beginning with number plates issued for the year 1981, plates issued for trailers with a total gross weight of 3,000 pounds or less shall be issued for the life of the trailer and shall be not more than seven inches in length and four inches in width.

The registrar shall issue for each registration a tab or sticker to designate the year of registration. This tab or sticker shall show the calendar year or years for which issued, and is valid only for that period. (UNLESS THE MOTOR VEHICLE FOR WHICH A) *The number (PLATE) plates, number (, TAB) tabs, or (STICKER IS) stickers issued (, IS PERMANENTLY LOST, IS DESTROYED, OR IS REMOVED FROM THE STATE, NO NUMBER PLATE, NUMBER, TAB, OR STICKER) for a motor vehicle may not be transferred to another motor vehicle during the period for which it is issued.*

Notwithstanding any other provision of this subdivision, number plates issued to a vehicle which is used for behind-the-wheel instruction in a driver education course in a public school may be transferred to another vehicle used for the same purpose without payment of any additional fee. The registrar shall be notified of each transfer of number plates under this paragraph, and may prescribe a form for notification.

Sec. 17. Minnesota Statutes 1983 Supplement, section 168.12, subdivision 2, is amended to read:

Subd. 2. [AMATEUR RADIO STATION LICENSEE; SPECIAL LICENSE PLATES.] Any applicant who is an owner or joint owner of a passenger automobile, van or pickup truck, or a self-propelled recreational vehicle, and a resident of this state, and who holds an official amateur radio station license, or a citizens radio service class D license, in good standing, issued by the Federal Communications Commission shall upon compliance with all laws of this state relating to registration and the licensing of motor vehicles and drivers, be furnished with license plates for the motor vehicle, as prescribed by law, upon which, in lieu of the numbers required for identification under subdivision 1, shall be inscribed the official amateur call letters of the applicant, as assigned by the Federal Communications Commission. The applicant shall pay in addition to the registration tax required by law, the sum of \$10 for the special license plates, and at the time of delivery of the special license plates the applicant shall surrender to the registrar the current license plates issued for the motor vehicle. This provision for



the issue of special license plates shall apply only if the applicant's vehicle is already registered in Minnesota so that the applicant has valid regular Minnesota plates issued for that vehicle under which to operate it during the time that it will take to have the necessary special license plates made. If the applicant owns or jointly owns more than one motor vehicle of the type specified in this subdivision he may apply for special plates for each of not more than two vehicles, and, if each application complies with this subdivision, the registrar shall furnish the applicant with the special plates, inscribed with the official amateur call letters and other distinguishing information as the registrar considers necessary, for each of the two vehicles. And the registrar may make reasonable regulations governing the use of the special license plates as will assure the full compliance by the owner and holder of the special plates, with all existing laws governing the registration of motor vehicles, the transfer and the use thereof. (WHEN THE OWNERSHIP OF A MOTOR VEHICLE FOR WHICH SPECIAL LICENSE PLATES HAVE BEEN FURNISHED BY THE REGISTRAR, CHANGES FROM ONE PERSON TO ANOTHER, THE SPECIAL LICENSE PLATES HEREIN AUTHORIZED SHALL BE PROMPTLY REMOVED FROM THE MOTOR VEHICLE BY THE SELLER AND RETURNED TO THE REGISTRAR, AT WHICH TIME THE SELLER OR THE BUYER OF THE MOTOR VEHICLE SHALL BE ENTITLED TO RECEIVE LICENSE PLATES FOR THE MOTOR VEHICLE AS PROVIDED IN SECTION 168.15.)

*Despite any contrary provision of subdivision 1, the special license plates issued under this subdivision may be transferred to another motor vehicle upon the payment of a fee of \$5. The fee must be paid into the state treasury and credited to the highway user tax distribution fund. The registrar must be notified of the transfer and may prescribe a form for the notification.*

Sec. 18. Minnesota Statutes 1982, section 168.12, subdivision 2b, is amended to read:

Subd. 2b. [FIREFIGHTERS; SPECIAL LICENSE PLATE.] The registrar shall issue special license plates to any applicant who is both a member of a fire department receiving state aid under chapter 69 and an owner or joint owner of a passenger automobile, station wagon, van, or pick up (WITH A GROSS WEIGHT OF 9,000 POUNDS OR LESS) truck, upon payment of a fee of \$10 and upon payment of the registration tax required by law for the vehicle and compliance with other laws of this state relating to registration and licensing of motor vehicles and drivers. In lieu of the identification required under subdivision 1, the special license plates shall be inscribed with a symbol of a Maltese Cross together with five numbers. No applicant shall receive more than two sets of plates for vehicles owned or jointly owned by the applicant.

Special plates issued under this subdivision may only be used during the period that the owner or joint owner of the vehicle is a member of a fire department as specified in this subdivision. When the person to whom the special plates were issued is no longer a member of a fire department or when the vehicle ownership is transferred, the special license plates shall be removed from the vehicle and returned to the registrar. 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. 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.

The commissioner of public safety may adopt rules under the administrative procedure act, sections 14.01 to 14.70, to govern the issuance and use of the special plates authorized in this subdivision. 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. 19. Minnesota Statutes 1982, section 168.27, subdivision 2, is amended to read:

Subd. 2. [NEW MOTOR VEHICLE DEALER.] No person shall engage in the business of selling or *arranging the sale of* new motor vehicles or shall offer to sell, solicit, *arrange*, or advertise the sale of new motor vehicles without first acquiring a new motor vehicle dealer license. A new motor vehicle dealer licensee shall be entitled thereunder to sell, broker, wholesale or auction and to solicit and advertise the sale, broker, wholesale or auction of new motor vehicles covered by his franchise and any used motor vehicles or to lease and to solicit and advertise the lease of new motor vehicles and any used motor vehicles and such sales or leases may be either for consumer use at retail or for resale to a dealer. Nothing herein shall be construed to require an applicant for a dealer license who proposes to deal in new and unused motor vehicle bodies to have a bona fide contract or franchise in effect with the manufacturer or distributor of any motor vehicle chassis upon which the new and unused motor vehicle body is mounted.

Sec. 20. Minnesota Statutes 1982, section 168.27, subdivision 3, is amended to read:

Subd. 3. [USED MOTOR VEHICLE DEALER.] No person shall engage in the business of selling or *arranging the sale of* used motor vehicles or shall offer to sell, solicit, *arrange*, or advertise the sale of used motor vehicles without first acquiring a used motor vehicle dealer license. A used motor vehicle dealer licensee shall be entitled thereunder to sell, lease, broker, whole-

sale or auction and to solicit and advertise the sale, lease, broker, wholesale or auction of any used motor vehicles for consumer use at retail or for resale to a dealer.

Sec. 21. Minnesota Statutes 1982, section 168.27, subdivision 10, is amended to read:

Subd. 10. [PLACE OF DOING BUSINESS.] All licensees under this section shall have an established place of business which shall include as a minimum,

(1) For a new motor vehicle dealer, the following:

(a) a permanent enclosed commercial building on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours;

(b) a bona fide contract or franchise in effect with a manufacturer or distributor of the new motor vehicles he proposes to sell, broker, wholesale or auction;

(c) a facility for the repair and servicing of motor vehicles and the storage of parts and accessories, not to exceed ten miles distance from the principal place of business. Such service may be provided through contract with bona fide operators actually engaged in such services.

(2) For a used motor vehicle dealer the following: a permanent enclosed commercial building (ON A PERMANENT FOUNDATION, OWNED OR UNDER LEASE BY THE LICENSEE. THE LEASE SHALL BE FOR A MINIMUM TERM OF ONE YEAR. THE BUILDING SHALL CONTAIN) or *commercial* office space (FOR) *where* the books, records and files necessary to conduct the business *are kept* and maintained with personnel available during normal business hours or automatic telephone answering service during normal working hours.

(3) For a motor vehicle lessor, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

(4) (FOR A MOTOR VEHICLE BROKER, THE FOLLOWING: A COMMERCIAL OFFICE SPACE WHERE THE BOOKS, RECORDS AND FILES NECESSARY TO CONDUCT THE BUSINESS ARE KEPT AND MAINTAINED WITH PERSONNEL AVAILABLE DURING NORMAL BUSINESS

HOURS OR AN AUTOMATIC TELEPHONE ANSWERING SERVICE DURING NORMAL BUSINESS HOURS.)

((5)) For a motor vehicle wholesaler, the following: a commercial office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

((6)) (5) For a motor vehicle auctioneer, the following: a permanent enclosed commercial building, within or without the state, on a permanent foundation, owned or under lease by the licensee. The lease shall be for a minimum term of one year. The building shall contain office space where the books, records and files necessary to conduct the business are kept and maintained with personnel available during normal business hours or an automatic telephone answering service during normal business hours.

((7)) (6) If a new or used motor vehicle dealer maintains more than one place of doing business in a county, the separate places shall be listed on the application. If additional places of business are maintained outside of one county, separate licenses shall be obtained for each county.

((8)) (7) If a motor vehicle lessor, broker or auctioneer maintains more than one permanent place of doing business, either in one or more counties, the separate places shall be listed in the application, but only one license shall be required.

Sec. 22. Minnesota Statutes 1982, section 168.29, is amended to read:

168.29 [DUPLICATE PLATES.]

In the event of the defacement, loss or destruction of any number plates, the registrar, upon receiving and filing a sworn statement of the vehicle owner, setting forth the circumstances of the defacement, loss, destruction or theft of the number plates, together with any defaced plates and the payment of the fee of (\$3) \$5 shall issue a new set of plates, provided that if the (\$3) \$5 fee exceeds the annual tax, the fee shall be the same as the annual tax. *Duplicate plates for tax-exempt vehicles licensed under section 168.012, subdivision 1, are furnished by the registrar at cost.* The registrar shall then note on his records the issue of such new number plates and shall proceed in such manner as he may deem advisable to cancel and call in the original plates so as to insure against their use on another motor vehicle. Duplicate registration certificates plainly marked as duplicates may be issued in like cases upon the payment of a (50 CENT) \$1 fee.

Sec. 23. Minnesota Statutes 1982, section 168.31, subdivision 1, is amended to read:

Subdivision 1. [TIME PAYABLE.] The tax required under this chapter to be paid upon a motor vehicle for each calendar year becomes due when the vehicle first uses the public streets or highways in the state, and upon January 1 each year thereafter, except those vehicles which are taxed under section 168.017 and vehicles registered under 168.09, subdivision 3. Taxes due upon January 1 become payable upon November 15 preceding the calendar year for which they are assessed (EXCEPT THOSE UPON MOTOR VEHICLES WHICH SHALL FIRST USE THE PUBLIC STREETS AND HIGHWAYS OF THIS STATE BETWEEN NOVEMBER 15 AND THE NEXT FOLLOWING DECEMBER 31). The tax required to register vehicles for the registration year March 1 to the last day of February is due on March 1 and payable (NOVEMBER 15) *January 1* preceding. (THE TAX THAT BECOMES DUE JANUARY 1 NEXT FOLLOWING UPON THOSE MOTOR VEHICLES BECOMES PAYABLE AT THE TIME THE TAX FOR THE CURRENT YEAR BECOMES PAYABLE. TAXES DUE UPON JANUARY 1 BECOME DELINQUENT AFTER JANUARY 10 UNLESS PAID. TAXES DUE WHEN THE VEHICLE FIRST USES THE PUBLIC STREETS OR HIGHWAYS IN THE STATE SHALL BECOME DELINQUENT UPON THE EXPIRATION OF SEVEN DAYS AFTER THE TAX BECAME DUE UNLESS PAID.) The tax required to register vehicles under the provisions of section 168.017 is due the first day of the month commencing the 12 month registration period and payable during the 45 days preceding the due date. *Nothing in this section shall preclude prepayment.*

Sec. 24. Minnesota Statutes 1982, section 168.31, subdivision 4, is amended to read:

Subd. 4. [INSTALLMENTS.] If the tax for a vehicle assessed under section 168.013 or 168.187 amounts to more than (\$300) \$400, the owner may pay such tax by installments. The owner shall tender with his application for registration one-third of the annual tax due or (\$300) \$400, whichever is greater, plus any penalties or arrears. The remainder of the tax due shall be paid in two equal installments; the due date of the first installment shall be the first day of the fifth month of the registration period for which the tax is assessed and the second installment shall be due on the first day of the ninth month of the registration period for which the tax is assessed. The registrar shall issue no registration certificate until the full amount of the tax has been paid. In lieu of such registration certificate, the registrar shall issue to the owner a receipt for installments paid, which receipt shall be displayed upon the windshield of the vehicle as evidence that under the provisions of this section the vehicle may be operated on the streets and highways of this state. If an owner of a vehicle fails to pay an installment (WITHIN SEVEN DAYS AFTER) *on or before* the due date thereof, the vehicle shall not use the public streets or highways in this state until the installment or installments of the tax remaining

due on such vehicle shall have been paid in full for the licensed year together with (PENALTIES AS HEREINAFTER PROVIDED. IF THE BALANCE OF THE TAX DUE ON THE VEHICLE IS NOT PAID WITHIN SEVEN DAYS AFTER THE DUE DATE THEREOF, THE OWNER, IN ADDITION TO THE BALANCE OF THE TAX, SHALL PAY) a penalty at the rate of (FIFTY CENTS) \$1 per day for the remainder of the month in which the balance of the tax becomes due and (\$2) \$4 a month for each succeeding month or fraction thereof (IN) *during* which the balance of the tax remains unpaid. Upon the payment of the balance of the tax and the penalties, the registrar shall issue a registration certificate to the owner of the vehicle in the manner provided by law. The registrar shall deny installment payment privileges provided in this subdivision in the subsequent year to any owner on any or all vehicles of such owner who during the current year fails to pay any installment due within one month after the due date.

Sec. 25. Minnesota Statutes 1982, section 168.33, subdivision 2, is amended to read:

Subd. 2. [POWERS.] The registrar shall have the power to appoint, hire and discharge and fix the compensation of the necessary employees, in the manner provided by law, as may be required to enable him to properly carry out the duties imposed upon him by the provisions of this chapter. As of April 14, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau which issues motor vehicle licenses as provided in section 373.32.

Effective August 1, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau which issues motor vehicle license as provided in section 373.32. Any person appointed by the registrar as a deputy registrar for any city shall be a resident of the county in which the city is situated.

The registrar may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar. The auditor, with the approval of the director of motor vehicles, may appoint, and for cause discontinue, the clerk or equivalent officer of each city or any other person as a deputy registrar as public interest and convenience may require, regardless of his county of resi-

dence. Notwithstanding any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any city, may continue to serve as deputy registrar and may be discontinued for cause only by the registrar. The county auditor shall be responsible for the acts of deputy registrars appointed by him. Each such deputy, before entering upon the discharge of his duties, shall take and subscribe an oath to faithfully discharge his duties and to uphold the laws of the state. If a deputy registrar appointed hereunder is not an officer or employee of a county or city, such deputy shall in addition give bond to the state in the sum of \$10,000, or such larger sum as may be required by the registrar, conditioned upon the faithful discharge of his duties as deputy registrar. Each deputy registrar appointed hereunder shall keep and maintain, in a convenient public place within the place for which he is appointed, a registration and motor vehicle tax collection bureau, to be approved by the registrar, for the registration of motor vehicles and the collection of motor vehicle taxes thereon. He shall keep such records and make such reports to the registrar as that officer, from time to time, may require. Such records shall be maintained at the facility of the deputy registrar. The records and facilities of the deputy registrar shall at all times be open to the inspection of the registrar or his agents. He shall report (DAILY) to the registrar *by the next working day following receipt* all registrations made and taxes and fees collected by him. The filing fee imposed pursuant to subdivision 7 shall be deposited in the treasury of the place for which he is appointed, or if such deputy is not a public official, he shall retain the filing fee, but the registration tax and any additional fees for delayed registration he has collected he shall deposit (EACH DAY) *by the next working day following receipt* in an approved state depository to the credit of the state through the state treasurer. The place for which the deputy registrar is appointed through its governing body shall provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if such deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public.

Sec. 26. Minnesota Statutes 1982, section 168A.08, is amended to read:

168A.08 [GROUNDS FOR REFUSAL TO ISSUE CERTIFICATE.]

The department shall refuse issuance of a certificate of title if any required fee is not paid or if (IT HAS REASONABLE GROUNDS TO BELIEVE THAT):

- (1) *the department has reasonable grounds to believe that the applicant is not the owner of the vehicle;*
- (2) *the department has reasonable grounds to believe that the application contains a false or fraudulent statement; (OR IF)*

(3) the applicant fails to furnish required information or documents or any additional information the department reasonably requires; or

(4) the applicant has not paid at least one month's registration tax or registered the vehicle under section 168.187.

Sec. 27. Minnesota Statutes 1982, section 169.01, subdivision 10, is amended to read:

Subd. 10. [TRAILER.] "Trailer" means (EVERY) any vehicle (WITHOUT MOTIVE POWER) designed for carrying (PERSONS OR) property or passengers on its own structure and for being drawn by a motor vehicle (AND SO CONSTRUCTED THAT NO PART OF ITS WEIGHT RESTS UPON THE TOWING VEHICLE) but does not include a trailer drawn by a truck-tractor semitrailer combination or an auxiliary axle on a motor vehicle which carries a portion of the weight of the motor vehicle to which it is attached.

Sec. 28. Minnesota Statutes 1982, section 169.01, subdivision 11, is amended to read:

Subd. 11. [SEMITRAILER.] "Semitrailer" means (EVERY) a vehicle (WITHOUT MOTIVE POWER) of the trailer type so designed (FOR CARRYING PERSONS OR PROPERTY AND FOR BEING DRAWN BY A MOTOR VEHICLE AND SO CONSTRUCTED THAT SOME) and used in conjunction with a truck-tractor that a considerable part of its own weight (AND) or that of its load rests upon (OR) and is carried by (ANOTHER VEHICLE) the truck-tractor and includes a trailer drawn by a truck-tractor semitrailer combination.

Sec. 29. Minnesota Statutes 1982, section 169.01, subdivision 50, is amended to read:

Subd. 50. [BUS.] "Bus" means every motor vehicle designed for carrying more than ten passengers and used for the transportation of persons, and every motor vehicle other than a taxicab designed and used for the transportation of persons for compensation.

*The term "bus" does not include a vehicle designed for carrying more than ten passengers but not more than 14 passengers and operated for the personal or family use of the owner or operator.*

Sec. 30. Minnesota Statutes 1983 Supplement, section 169.73, subdivision 4, is amended to read:

Subd. 4. [MAXIMUM BUMPER HEIGHT.] Notwithstanding the restrictions contained in subdivision 3, bumpers required



under this section shall not exceed a height of 20 inches on any passenger automobile or station wagon or 25 inches on any four-wheel drive multipurpose type vehicle or truck having a manufacturer's rated capacity of 2,000 pounds or less *when the vehicle is being operated on a public highway*. The height of the bumper shall be determined by measuring from the bottom of the bumper, excluding any *vertical bumper attachments*, to the ground. *A vehicle which has an original bumper which does not exceed a height of 30 inches may be modified by attaching a full width bumper to the regular bumper to meet the height requirement. The attached bumper must be at least 4.5 inches in vertical height, be centered on the vehicle's centerline, extend at least ten inches on either side of the frame, and be attached to the frame in at least four places with angle braces at no less than 45 degrees so that it effectively transfers impact to an extent equal to or greater than the original bumper.*

Competent evidence that a vehicle was originally manufactured with bumpers higher than prescribed in this subdivision shall be an affirmative defense in any action under this section.

Sec. 31. Minnesota Statutes 1982, section 169.59, subdivision 3, is amended to read:

Subd. 3. [BACK-UP LIGHTS.] Any vehicle may be equipped with not more than two back-up lamps, either separately or in combination with another lamp, *and not more than two rear cornering lamps*, except that (NO SUCH BACK-UP LAMP SHALL) *the lamps must not be continuously lighted when the vehicle is in forward motion, nor shall it project a glaring light.*

Sec. 32. Minnesota Statutes 1982, section 169.743, is amended to read:

169.743 [BUG DEFLECTORS.]

Bug deflectors shall be permitted but not required on motor vehicles. No bug deflector shall be sold, offered for sale, or used which is composed of other than non-illuminated material. No person shall operate any motor vehicle equipped with a bug deflector of nontransparent material having more than one inch of material extending above the highest part of the front of the hood, excluding any decorative ornament, and no person shall operate any motor vehicle equipped with a bug deflector of transparent material having more than three inches of material extending above the highest part of the front of the hood, excluding any decorative ornament; *provided that trucks and truck tractors of 12,000 pounds gross vehicle weight or larger may be operated with a clear, uncolored bug deflector extending no more than six inches above the highest part of the front of the hood, excluding any decorative ornament.*

Sec. 33. Minnesota Statutes 1983 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 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 of public safety 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 (.); or

(d) Drive the motorcycle without wearing protective headgear (OF A TYPE APPROVED) *that complies with standards established 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. 34. Minnesota Statutes 1983 Supplement, section 169.974, subdivision 6, is amended to read:

Subd. 6. [NEGLIGENCE; DAMAGES WITHOUT PROTECTIVE HEADGEAR.] In an action to recover damages for negligence resulting in any head injury to an operator or passenger of a motorcycle, evidence of whether or not the injured person was wearing protective headgear (OF A TYPE APPROVED) *that complied with standards established* by the commissioner of public safety shall be admissible only with respect to the question of damages for head injuries. Damages for head injuries of any person who was not wearing protective headgear shall be reduced to the extent that those injuries could have been avoided by wearing protective headgear (OF A TYPE APPROVED) *that complied with standards established* by the commissioner of public safety. For the purposes of this subdivision "operator or passenger" means any operator or passenger regardless of whether that operator or passenger was required by law to wear protective headgear (APPROVED) *that complied with standards established* by the commissioner of public safety.

Sec. 35. [REPEALER.]

*Minnesota Statutes 1982, sections 168.27, subdivision 5; 168.31, subdivision 3; 169.672; and 169.755; and Minnesota Statutes 1983 Supplement, section 168.46, are repealed."*

Delete the title and insert:

"A bill for an act relating to motor vehicles; defining terms; increasing certain gross vehicle weight tax to comply with international registration plan; authorizing repair and servicing permit for commercial zone trucks; providing time limitation for applying for quarterly registration of farm trucks; increasing certain fees; clarifying display and use of drive-away, in-transit plates; clarifying requirement to submit forms to registrar of motor vehicles; prohibiting transfer of certain plates; providing for transfer of amateur radio and citizen band plates; prescribing uniform fee for issuance of duplicate plates except for exempt vehicles; increasing minimum tax requirements for qualification for installment payments and prescribing a fee; increasing penalty fees for late installment payments; clarifying certain duties of deputy registrars relating to reports and deposits of taxes and fees; requiring payment of one month's registration tax before issuance of certificate of title; authorizing certain replacement bumpers; requiring protective headgear to comply with standards established by the commissioner of public safety; amending Minnesota Statutes 1982, sections 168.011, subdivisions 9 and 13; 168.013, subdivision 16; 168.018; 168.041, subdivision 6; 168.053, subdivision 1; 168.09, subdivisions 2 and 3; 168.10, subdivisions 1, 1a, 1b, 1c, and 1d; 168.101, subdivision 2; 168.12, subdivisions 1 and 2b; 168.27, subdivisions 2, 3, and 10; 168.29; 168.31, subdivisions 1 and 4; 168.33, subdivision 2;

168A.08; 169.01, subdivisions 10, 11, and 50; 169.59, subdivision 3; 169.743; Minnesota Statutes 1983 Supplement, sections 168.013, subdivision 1e; 168.12, subdivision 2; 169.73, subdivision 4; and 169.974, subdivisions 2 and 6; repealing Minnesota Statutes 1982, sections 168.27, subdivision 5; 168.31, subdivision 3; 169.672; 169.755; and Minnesota Statutes 1983 Supplement, section 168.46."

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. 1847, A bill for an act relating to veterans; changing the eligibility for veteran's preference for civil service employment; amending Minnesota Statutes 1982, section 43A.11, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 15, strike everything after "to"

Page 1, lines 16 to 18, strike the old language and delete the new language

Page 1, line 19, strike everything before the period and insert "*a veteran as defined in section 197.447*"

Page 1, after line 19, insert:

"Sec. 2. Minnesota Statutes 1982, section 197.447, is amended to read:

197.447 [VETERAN, DEFINED.]

The word "veteran" as used in sections 43A.11, 196.02, 196.07, 197.59, 197.601, and 282.038 means any person who has been separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or by reason of disability incurred while serving on active duty, and who is a citizen of the United States."

Page 1, delete lines 21 to 24 and insert the following:

*"Section 1 is effective the day following the final enactment and applies to all veterans who are on current eligible lists. Affected jurisdictions shall provide public notice that candidates on*

*current eligible lists may apply for veterans preference in writing. Veterans who have taken an examination after the effective date of section 1 will also be eligible to apply for veterans preference."*

Renumber the remaining section

Amend the title as follows :

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, before the period insert " ; and 197.447"

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. 1851, A bill for an act relating to occupations and professions; changing the name of the private detective and protective agent services board; clarifying its powers and duties; authorizing licensing of alarm system businesses; specifying qualifications; amending Minnesota Statutes 1982, sections 214.01, subdivision 3; 326.32, subdivisions 2, 8, 9, and 10, and by adding subdivisions; 326.33, subdivision 1, and by adding subdivisions; 326.331; 326.332, subdivision 1; 326.333; 326.334, subdivisions 1 and 2, and by adding a subdivision; 326.336, subdivision 1, and by adding subdivisions; 326.337, subdivisions 1, 2, and 3; and Minnesota Statutes 1983 Supplement, section 214.04, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 326; and repealing Minnesota Statutes 1982, sections 299C.01, subdivision 3; 326.32, subdivisions 3, 4, 5, 6, 7, and 11; and 326.33, subdivisions 2, 3, 4, and 5.

Reported the same back with the following amendments :

Delete everything after the enacting clause and insert :

"Section 1. [INSTALLATION OF POWER LIMITED CIRCUITS.]

*A person who installs Class II or Class III signaling circuits, power-limited fire protective signaling circuits, or outside wiring for alarm systems, as covered by articles 725, 760 and 800 of the National Electrical Code as approved by the United States of America Standards Institute in effect on January 1, 1984, shall not be required to obtain a license under Minnesota Statutes,*

*section 326.242. Nothing in this act shall exempt installations from inspections as defined in Minnesota Statutes, section 326.-244.*

Sec. 2. [REPEALER.]

*Section 1 is repealed effective July 1, 1985.*

Sec. 3. [EFFECTIVE DATE.]

*Section 1 is effective the day following final enactment."*

Delete the title and insert:

"A bill for an act relating to occupations and professions; clarifying jurisdiction over installation of power limited circuits."

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. 1857, A bill for an act relating to veterans; clarifying certain veteran benefit definitions to include veterans who have served in Grenada or with the peacekeeping forces in Lebanon; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; 124.565, subdivision 7; 198.01; and 462A.05, subdivision 19.

Reported the same back with the following amendments:

Page 1, delete lines 10 to 25

Page 2, line 13, before "Grenada" insert "the" and after "Grenada" insert "campaign"

Page 2, line 14, after "in" insert "the" and after "Lebanon" insert "campaign"

Page 3, line 24, delete "conflict" and insert "campaign"

Page 3, line 28, strike "no" and after "interest" insert "free"

Page 4, line 9, after "in" insert "the" and after "Grenada" insert "campaign"

Page 4, line 10, after "in" insert "the" and after "Lebanon" insert "campaign"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, after the first "in" insert "the" and after "Grenada" insert "campaign"

Page 1, line 5, before "Lebanon" insert "the" and after "Lebanon" insert "campaign"

Page 1, line 6, delete "43A.11, 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.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1862, A bill for an act relating to St. Louis County; establishing a land investment office; appropriating money.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 4

Page 2, line 20, delete "(a)" and insert "(1)"

Page 2, line 24, delete "(b)" and insert "(2)"

Page 2, line 26, delete "(c)" and insert "(3)"

Page 2, line 29, delete "(d)" and insert "(4)"

Page 2, line 30, delete "but not limited"

Page 2, line 31, delete "to"

Page 3, line 10, delete "6" and insert "5"

Page 3, line 15, delete "which" and insert "that"

Page 3, line 16, delete "*then Minnesota Statutes,*"

Renumber the sections in sequence

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1920, A bill for an act relating to public welfare; establishing payments for respite care of mentally retarded, epileptic, or emotionally handicapped children; establishing a statewide fee schedule for parental cost of care; amending Minnesota Statutes 1982, sections 246.511; 252.27, subdivisions 1 and 2; and Minnesota Statutes 1983 Supplement, section 256B.14, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 26, strike "is mentally" and insert "*has mental retardation, epilepsy, or a physical or emotional handicap,*"

Page 1, line 27, strike everything before "is"

Page 2, line 17, delete "rules" and insert "a rule"

Page 2, line 23, before "In" insert "*Parents who have more than one child in out-of-home care shall not be required to pay more than the amount for one child in out-of-home care.*"

Page 2, delete line 24

Page 2, line 25, delete "*adjusted gross*"

Page 2, line 25, delete "*shown on their*" and insert "*defined in section 290A.03, subdivision 3 with the modification increasing federal adjusted gross income defined in section 290.01, subdivision 20a, clause (25).*"

Page 2, line 26, delete everything before the period

Page 2, line 33, after the period insert "*It is the responsibility of the county to collect the fee directly from the parent and child.*"

Page 3, line 26, delete "*with mental*" and insert "*whose eligibility for medical assistance was determined without deeming of the parents' resources and income*"



Page 3, delete line 27

Page 3, line 28, delete "care"

Page 3, line 28, delete "section" and insert "a federal medical assistance waiver"

Page 3, line 29, delete "256B.50"

Page 3, line 32, after "room" delete the comma and insert "and"

Page 3, line 32, delete "and services"

Amend the title as follows:

Page 1, line 3, after "of" insert "children who are"

Page 1, line 3, delete "epileptic, or" and insert "have epilepsy, or are"

Page 1, line 4, delete "children"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 1976, A bill for an act relating to agriculture; establishing an agricultural land preservation and conservation awareness program; creating a legislative commission on agricultural land preservation and conservation; creating a cost-sharing account in the state treasury; appropriating money; amending Minnesota Statutes 1982, section 40.036, by adding a subdivision; proposing new law coded as Minnesota Statutes, chapter 40A.

Reported the same back with the following amendments:

Page 3, line 7, after the comma, insert "taxes and tax laws,"

Page 3, line 11, after "resources," insert "tax,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 1996, A bill for an act relating to the medical assistance program; increasing the personal needs allowance; amending Minnesota Statutes 1982, section 256B.35, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the committee on Appropriations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2020, A bill for an act relating to health; changing certain hospital cost reporting requirements; adding reporting requirements for outpatient surgical centers; deleting hospital rate review requirements; adding provisions for fines; deleting obsolete language; amending Minnesota Statutes 1982, sections 144.695; 144.696; 144.698; 144.699; 144.701; 144.702; and 144.703; repealing Minnesota Statutes 1982, sections 144.7021; 144.704; and 144.705.

Reported the same back with the following amendments:

Pages 8, 9 and 10, delete section 10 and insert:

"Sec. 10. [MORATORIUM ON HOSPITAL CAPACITY EXPANSION.]

*Subdivision 1. [RESTRICTED CONSTRUCTION OR MODIFICATIONS.] Until June 30, 1987, the following construction or modification may not be commenced:*

*(1) Any erection, building, alteration, reconstruction, modernization, improvement, extension, lease, or other acquisition, or any purchase, lease, or other acquisition of diagnostic or therapeutic equipment, by or on behalf of a hospital which:*

*(a) requires, or would require if purchased, a total capital expenditure for inpatient services that, under generally accepted accounting principles, is in excess of \$1,000,000. For capital expenditures involving both inpatient and other services, the \$1,000,000 limit applies only to that portion of the capital expenditure attributable to the annual volume expected to be associated with the inpatient services alone; or*

*(b) increases the bed capacity of a hospital or relocates hospital beds from one physical facility or site to another; or*

*(2) the establishment of a new hospital.*

*Subd. 2. [EMERGENCY WAIVER.] The commissioner will grant an emergency waiver from the provisions of this section if the need for the project is a result of fire, tornado, flood, storm damage, or other similar disaster, if adequate health care facilities are not available for the people who previously used the applicant facility and if the request for an emergency waiver is limited in nature and scope only to those repairs necessitated by the natural disasters.*

*Subd. 3. [EVASIONS.] No hospital may separate portions of a single construction or modification into components in order to evade the limitations of subdivision 1.*

*Subd. 4. [ENFORCEMENT.] The district court in Ramsey County has jurisdiction to enjoin an alleged violation of subdivision 1. At the request of the commissioner of health, the attorney general may bring an action to enjoin an alleged violation. The commissioner of health may not issue a license for any portion of a hospital in violation of subdivision 1. No hospital in violation of subdivision 1 may apply for or receive public funds under chapters 245 to 256B, or from any other source.*

*Subd. 5. [DEFINITIONS.] Except as indicated in this subdivision, the terms used in this section have the meanings given them under Minnesota Statutes 1982, sections 145.832 to 145.845 and the rules adopted thereunder, except as follows:*

*(1) the term "hospital" has the meaning given it in section 144.696, subdivision 3; and*

*(2) the term "inpatient" means services provided to patients as that term is defined in section 144.651, subdivision 2."*

Amend the title as follows :

Page 1, line 6, delete "deleting obsolete language" and insert "providing a moratorium on inpatient hospital expansion"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2036, A bill for an act relating to real property; providing that the mortgage and contract for deed moratorium become permanent law; applying moratorium to holders of any mortgage or contract for deed to homestead property; abolishing exclusionary provision; allowing mortgagor to petition for post-

ponement of foreclosure sale for up to 12 months; allowing catastrophic medical expenses to be considered by a court when determining delay of foreclosure sale; providing that the equity in the property may be considered by a court; abolishing sunset provision; amending Minnesota Statutes 1983 Supplement, sections 47.20, subdivision 15; 559.21, subdivision 6; 580.031; 583.03; 583.04; 583.05; and 583.08; Laws 1983, chapter 215, section 16.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 47.20, subdivision 15, is amended to read:

Subd. 15. Notwithstanding the provisions of any other law to the contrary, any notice of default on homestead property as defined in section 583.02, mailed after May 24, 1983 and prior to May 1, (1984) 1985, shall indicate that the borrower has 60 days from the date the notice is mailed in which to cure the default. *The notice shall include a statement that the borrower may be eligible for an extension of the time prior to foreclosure and execution sale under sections 583.01 to 583.12.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 559.21, subdivision 6, is amended to read:

Subd. 6. [(TEMPORARY) MINIMUM NOTICE.] Notwithstanding the provisions of any other law to the contrary, no contract for conveyance of homestead property, as defined in section 583.02, shall terminate until 60 days after service of notice if the notice is served after May 24, 1983, and prior to May 1, (1984) 1985 or 90 days after service of notice if the contract was entered into after May 1, 1980 and the contract vendee has paid 25 percent or more of the purchase price. The notice shall specify this 60- or 90-day period. *The notice shall include a statement that the borrower may be eligible for an extension of the time prior to foreclosure and execution sale under sections 583.01 to 583.12.* This section does not apply to earnest money contracts, purchase agreements or exercised options.

Sec. 3. Minnesota Statutes 1983 Supplement, section 580.031, is amended to read:

580.031 [(TEMPORARY) MINIMUM NOTICE.]

Notwithstanding the provisions of any other law to the contrary, eight weeks' published notice must be given prior to the foreclosure sale of a homestead, as defined in section 583.02, if the notice is published for the first time after May 24, 1983 and prior to May 1, (1984) 1985. The notice must contain the infor-

mation specified in section 580.04. At least four weeks before the appointed time of sale, a copy of the notice must be served upon the person in possession of the mortgaged premises, if the premises are actually occupied.

Sec. 4. Minnesota Statutes 1983 Supplement, section 583.04, is amended to read:

583.04 [MORTGAGOR MAY APPLY TO DISTRICT COURT FOR RELIEF.]

Any mortgagor, or owner in possession of the mortgaged premises *including farm homestead premises*, or anyone claiming under the mortgage, or anyone liable for the mortgage debt, may at any time after the issuance of the notice of (THE FORECLOSURE PROCEEDINGS) *default* and prior to the sale, petition the district court of the county where the foreclosure proceedings are pending, serving a summons and verified (COMPLAINT) *petition* requesting that the sale in foreclosure be postponed for up to (SIX MONTHS OR, IN THE CASE OF A FARM HOMESTEAD LOCATED ON MORE THAN TEN ACRES, FOR UP TO) 12 months. A contract for deed vendee or anyone claiming under the contract or liable for the contract payment, in any case where the contract has not yet been terminated as of May 24, 1983, may petition the district court in the same manner, requesting that the contract termination be delayed for up to 90 days. Upon receiving the petition, the court shall order a stay in the foreclosure proceedings until after the hearing on the petition. (AS A CONDITION PRECEDENT TO THE) *The court's order for a stay may be issued ex parte. If the court orders a postponement of the foreclosure sale, the party serving the verified (COMPLAINT) petition shall (FILE IT AND) pay to the clerk for the person foreclosing the mortgage the actual costs incurred as provided in section 582.01, including attorney's fees, in the foreclosure proceeding before postponement. (AS A CONDITION PRECEDENT TO) If the court orders a delay of the contract termination, the party seeking relief shall (FILE THE VERIFIED COMPLAINT AND) pay to the clerk for the person canceling the contract, the actual costs, including attorney's fees (INCURRED IN THE) as provided in the notice of cancellation. If payment is made by other than cash or certified check, the order postponing the sale or delaying the termination is not final until after the check or other negotiable instrument has been paid.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 583.05, is amended to read:

583.05 [COURT MAY ORDER DELAY IN SALE; FINDINGS.]

The court may consider the following criteria in determining whether or not to order a *postponement* or delay in the sale or contract termination:

(1) that the petitioner is unemployed, underemployed, *facing catastrophic medical expenses*, or facing economic problems due to low farm commodity prices; and

(2) that the petitioner has an inability to make payments on the mortgage or contract for deed.

If the court grants or denies a (DELAY IN) *postponement* of the sale, the mortgagee shall publish notice of the new sale date as provided in section 580.03. Section 580.07 does not apply to foreclosure sales postponed by a court pursuant to sections 583.01 to 583.12.

Sec. 6. Minnesota Statutes 1983 Supplement, section 583.07, is amended to read:

#### 583.07 [REDUCTION OF REDEMPTION PERIOD.]

If the court grants a (DELAY IN) *postponement* of the foreclosure sale pursuant to sections 583.01 to 583.12, the redemption period pursuant to section 580.23 shall be reduced by an equivalent period of time provided, that in no event shall the redemption period be less than 30 days. If the court does not grant a (DELAY IN) *postponement* of the foreclosure sale, the redemption period shall be as provided in section 580.23.

Sec. 7. Minnesota Statutes 1983 Supplement, section 583.08, is amended to read:

#### 583.08 [PARTIAL PAYMENT.]

The petition must also request the court to determine the reasonable value of the income on the property, or, if the property has no income, then the reasonable rental value of the property subject to the contract for deed or mortgage and must direct the contract vendee or mortgagor to pay all or a reasonable part of the income or rental value for the payment of taxes, insurance, interest or principal at the times and in the manner determined by the court. In determining the amount of income or rental value to be paid, the court may consider the relative financial conditions and resources of the parties, *equity in the property held by the mortgagor or contract vendee*, and the ability of the mortgagor or contract vendee to pay. The court shall hear the petition and after the hearing shall make and file its order directing the payment by the contract vendee or mortgagor of an amount at the times and in the manner that the court determines just and equitable. In the case of contracts for deed, the court shall insure that the payment required by the contract vendee is sufficient to adequately maintain the vendor's standard of living. If the mortgagor or contract vendee defaults in the payments ordered, the mortgagee may immediately commence foreclosure proceedings as provided in section 580.03, and the contract vendor may terminate the con-

tract 30 days after the default. If default is claimed because of waste, the mortgagee or contract vendor may commence foreclosure proceedings or terminate the contract immediately after the filing of an order of the court finding the waste. No action shall be maintained for a deficiency judgment until the period of redemption as allowed by section 580.23, or by sections 583.01 to 583.12, has expired.

Sec. 8. Minnesota Statutes 1983 Supplement, section 583.10, is amended to read:

583.10 [HEARING.]

The court shall schedule and hold a hearing on the petition (MUST BE HELD) within 30 days after the filing of the petition. The order therein must be made and filed within five days after the hearing. Review by the supreme court may be had by certiorari, if application for the writ is made within 15 days after notice of the order. The writ is returnable within 30 days after the filing of the order.

Sec. 9. Laws 1983, chapter 215, section 16, is amended to read:

Sec. 16. [(REPEALER) PERMANENT LAW.]

Sections 1 to 15 are repealed effective July 1, (1984) 1985, but any postponement or other relief ordered by a court continues to be valid for the period ordered by the court.

Sec. 10. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective May 1, 1984.*"

Delete the title and insert:

"A bill for an act relating to real property; providing that the mortgage and contract for deed moratorium become permanent law; applying moratorium to holders of any mortgage or contract for deed to homestead property; abolishing exclusionary provision; allowing mortgagor to petition for postponement of foreclosure sale for up to 12 months; allowing catastrophic medical expenses to be considered by a court when determining delay of foreclosure sale; providing that the equity in the property may be considered by a court; abolishing sunset provision; clarifying certain provisions; amending Minnesota Statutes 1983 Supplement, sections 47.20, subdivision 15; 559.21, subdivision 6; 580.031; 583.04; 583.05; 583.07; 583.08; and 583.10; Laws 1983, chapter 215, section 16."

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2055, A bill for an act relating to sentencing; permitting courts to utilize a variety of noninstitutional sanctions as a condition of a stayed sentence; providing a preference for noninstitutional sanctions in certain cases; amending Minnesota Statutes 1982, section 609.135, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 609.135, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 609.10, is amended to read:

609.10 [SENTENCES AVAILABLE.]

Upon conviction of a felony and compliance with the other provisions of this chapter the court, if it imposes sentence, may sentence the defendant to the extent authorized by law as follows:

- (1) To life imprisonment; or
- (2) To imprisonment for a fixed term of years set by the court; or
- (3) To both imprisonment for a fixed term of years and payment of a fine; or
- (4) To payment of a fine without imprisonment or to imprisonment for a fixed term of years if the fine is not paid; or
- (5) *To payment of court-ordered restitution in addition to either imprisonment or payment of a fine, or both.*

Sec. 2. Minnesota Statutes 1982, section 609.125, is amended to read:

609.125 [SENTENCE FOR MISDEMEANOR OR GROSS MISDEMEANOR.]

Upon conviction of a misdemeanor or gross misdemeanor the court, if sentence is imposed, may, to the extent authorized by law, sentence the defendant:

- (1) To imprisonment for a definite term; or
- (2) To payment of a fine, or to imprisonment for a specified term if the fine is not paid; or



(3) To both imprisonment for a definite term and payment of a fine; or

(4) To payment of court-ordered restitution in addition to either imprisonment or payment of a fine, or both.

Sec. 3. Minnesota Statutes 1983 Supplement, section 609.135, subdivision 1, is amended to read:

Subdivision 1. Except when a sentence of life imprisonment is required by law, or when a mandatory minimum term of imprisonment is required by section 609.11, any court may stay imposition or execution of sentence and: (a) may order non-institutional sanctions without placing the defendant on probation, or (b) may place the defendant on probation with or without supervision and on the terms the court prescribes, including (RESTITUTION) noninstitutional sanctions when practicable. The court may order the supervision to be under the probation officer of the court, or, if there is none and the conviction is for a felony or gross misdemeanor, by the commissioner of corrections, or in any case by some other suitable and consenting person. For purposes of this subdivision, subdivision 6, and section 609.14, the term "noninstitutional sanctions" includes restitution, community work service, and work in lieu of or to work off fines.

A court may not stay the revocation of the driver's license of a person convicted of violating the provisions of section 169.121.

Sec. 4. Minnesota Statutes 1982, section 609.135, is amended by adding a subdivision to read:

Subd. 6. A court staying imposition or execution of sentence shall give preference to the use of noninstitutional sanctions without probation or as a condition of probation if:

(a) the defendant has no prior felony convictions; and

(b) the defendant currently is being sentenced for an offense other than a crime against a person.

Sec. 5. Minnesota Statutes 1982, section 609.14, subdivision 1, is amended to read:

Subdivision 1. When it appears that the defendant has violated any of the conditions of his probation, noninstitutional sanction, or has otherwise been guilty of misconduct which warrants the imposing or execution of sentence, the court may without notice revoke the stay thereof and probation and direct that the defendant be taken into immediate custody.

Sec. 6. Minnesota Statutes 1982, section 609.14, subdivision 3, is amended to read:

Subd. 3. If any of such grounds are found to exist the court may:

(1) If imposition of sentence was previously stayed, again stay sentence or impose sentence and stay the execution thereof, and in either event place the defendant on probation or order *noninstitutional sanctions* pursuant to section 609.135, or impose sentence and order execution thereof; or

(2) If sentence was previously imposed and execution thereof stayed, continue such stay and place the defendant on probation or order *noninstitutional sanctions* in accordance with the provisions of section 609.135, or order execution of the sentence previously imposed.

Sec. 7. [EFFECTIVE DATE.]

*Sections 3 and 4 are effective August 1, 1984, and apply to sentences imposed or stayed on or after that date."*

Amend the title as follows:

Page 1, line 4, before the semicolon insert "and order restitution when sentence is executed"

Page 1, line 6, delete "section" and insert "sections 609.10; 609.125,"

Page 1, line 7, after the semicolon insert "609.14, subdivisions 1 and 3,"

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. 2060, A bill for an act relating to public welfare; requiring county boards to provide services to mentally ill persons; specifying duties of the commissioner; authorizing rule-making; proposing new law coded as Minnesota Statutes, chapter 253C.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [SERVICES FOR THE MENTALLY ILL.]

*By January 1985 the commissioner of public welfare shall report to the legislature on each county's available services for the*

*mentally ill. This report shall include a description of each service, the number of clients served, the cost of services, and whether purchased or provided directly by the county.*

*The commissioner shall also, in consultation with counties, mental health service providers, mental health advocacy groups, and other appropriate professionals, study and report to the legislature on the minimum adequate array of services needed by the mentally ill in each county of the state to assure a comprehensive range of preventive, supportive, and rehabilitative social services."*

Delete the title and insert :

"A bill for an act relating to public welfare; requiring the commissioner of public welfare to study and report on county services for mentally ill persons."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Swanson from the Committee on Health and Welfare to which was referred:

H. F. No. 2068, A bill for an act relating to occupations and professions; establishing a task force on sexual exploitation by psychotherapists.

Reported the same back with the following amendments:

Page 1, line 10, delete "on" and insert "to study"

Page 1, line 11, delete "psychotherapists" and insert "counselors and therapists".

Page 1, line 13, after the comma insert "mental health organizations,"

Page 1, line 15, delete "psychotherapy" and insert "counseling or therapy"

Page 1, line 22, delete "psychotherapists" and insert "counselors and therapists"

Page 1, line 23, after "educate" insert "counselors,"

Page 1, line 23, before "employers" insert "their"

Page 1, line 23, after "*employers*" delete "*of therapists*"

Page 2, line 3, after "a" insert "*counselor or*"

Page 2, line 6, delete "*psychotherapy*" and insert "*counseling and therapy*"

Page 2, line 14, delete "*psychotherapist*" and insert "*counselor or therapist*"

Page 2, line 16, delete "*psychotherapist*" and insert "*counselors or therapists*"

Page 2, line 21, delete "*psychotherapy*" and insert "*therapy*"

Page 2, line 23, delete "*psychotherapists*" and insert "*counselors or therapists*"

Amend the title as follows:

Page 1, line 4, delete "*psychotherapists*" and insert "*counselors and therapists*"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Voss from the Committee on Energy to which was referred:

H. F. No. 2078, A bill for an act relating to landlords and tenants; increasing the interest rate paid by landlords on rental deposits; amending Minnesota Statutes 1982, section 504.20, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2081, A bill for an act relating to agriculture; changing the authority for licensing and inspecting vending machines; amending Minnesota Statutes 1982, sections 145.031, subdivision 1; 145.55, subdivision 1; 145.918, subdivision 2; 366.01, subdivi-

sion 2; and Minnesota Statutes 1983 Supplement, section 28A.09, subdivision 1; repealing Minnesota Statutes 1982, sections 144.075; 375.193; and 461.02.

Reported the same back with the following amendments:

Page 2, line 2, after the second "state" strike the comma

Page 2, line 3, strike "which may"

Page 2, line 4, strike "impose a reasonable inspection" and strike "fee"

Amend the title as follows:

Page 1, line 2, delete "agriculture" and insert "local government"

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. 2113, A bill for an act relating to motor fuels; setting standards for gasoline and gasoline-alcohol blends; providing testing authority for the weights and measures division of the department of public service; requiring alcohol content disclosure; providing for labeling; appropriating money; amending Minnesota Statutes 1982, sections 296.01, subdivision 3; 296.05, subdivisions 1, 4, 6, and by adding a subdivision; and 296.22, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 296.01, is amended by adding a subdivision to read:

*Subd. 2a. [ALCOHOL.] "Alcohol" means methanol or denatured ethanol containing no more than 1.25 weight percent of water. The determination of water content shall be made in accordance with American Society for Testing and Materials Standard Method E-203.*

Sec. 2. Minnesota Statutes 1982, section 296.01, subdivision 3, is amended to read:

## Subd. 3. [GASOLINE.] "Gasoline" means:

(a) all products commonly or commercially known or sold as gasoline (including casinghead and absorption or natural gasoline) regardless of their classification or uses; and

(b) any liquid prepared, advertised, offered for sale or sold for use as or commonly and commercially used as a fuel in internal combustion engines, which when (SUBJECTED TO DISTILLATION IN ACCORDANCE WITH THE STANDARD METHOD OF TEST FOR DISTILLATION OF GASOLINE, NAPHTHA, KEROSENE AND SIMILAR PETROLEUM PRODUCTS (AMERICAN SOCIETY FOR TESTING MATERIALS DESIGNATION D-86) SHOWS NOT LESS THAN 10 PERCENT DISTILLED (RECOVERED) BELOW 347 DEGREES FAHRENHEIT (175 DEGREES CENTIGRADE) AND NOT LESS THAN 95 PERCENT DISTILLED (RECOVERED) BELOW 464 DEGREES FAHRENHEIT (240 DEGREES CENTIGRADE); PROVIDED HOWEVER, THAT "GASOLINE" SHALL NOT INCLUDE LIQUEFIED GASES WHICH WOULD NOT EXIST AS LIQUIDS AT A TEMPERATURE OF 60 DEGREES FAHRENHEIT AND AT A PRESSURE OF 14.7 POUNDS PER SQUARE INCH ABSOLUTE) *tested by the weights and measures division of the department of public service meets the sulfur, distillation range, Reid vapor pressure, and copper corrosion requirements contained in American Society for Testing and Materials (ASTM) specification number D-439, "Standard Specification for Automotive Gasoline."*

*For gasoline that is blended with more than one volume percent of denatured ethanol, the gasoline portion of the blend or the finished gasoline-ethanol blend must meet the sulfur, distillation range, Reid vapor pressure, and copper corrosion requirements contained in ASTM D-439.*

*For gasoline that is blended with more than one volume percent of methanol, the finished gasoline-methanol blend must meet the sulfur, distillation range, Reid vapor pressure, and copper corrosion requirements contained in ASTM D-439, and must have a currently valid fuel/fuel additive waiver by the United States Environmental Protection Agency as provided by United States Code, title 42, section 7545.*

Sec. 3. Minnesota Statutes 1982, section 296.05, subdivision 1, is amended to read:

Subdivision 1. [GASOLINE.] No gasoline shall be sold for use in motor vehicles unless it (SHALL CONFORM TO THE FOLLOWING SPECIFICATIONS:)

((1) IT SHALL BE) *is free from water, suspended matter, and all impurities (;)*

((2) THE INITIAL BOILING POINT SHALL NOT BE HIGHER THAN 131 DEGREES FAHRENHEIT;)

((3) WHEN 10 PERCENT HAS BEEN RECOVERED IN THE RECEIVER, THE TEMPERATURE SHALL NOT BE HIGHER THAN 167 DEGREES FAHRENHEIT;)

((4) WHEN 50 PERCENT HAS BEEN RECOVERED IN THE RECEIVER, THE TEMPERATURE SHALL NOT BE HIGHER THAN 284 DEGREES FAHRENHEIT;)

((5) WHEN 90 PERCENT HAS BEEN RECOVERED IN THE RECEIVER, THE TEMPERATURE SHALL NOT BE HIGHER THAN 392 DEGREES FAHRENHEIT;)

((6) THE END POINT SHALL NOT BE HIGHER THAN 437 DEGREES FAHRENHEIT;)

((7) THE MINIMUM RECOVERY IN THE RECEIVER SHALL BE 95 PERCENT OF THE VOLUME USED FOR THE TEST EXCEPT DURING THE MONTHS OF NOVEMBER, DECEMBER, JANUARY, FEBRUARY AND MARCH, WHEN THE MINIMUM RECOVERY SHALL BE 93 PERCENT;)

((8) THE SULPHUR CONTENT SHALL NOT BE MORE THAN 25 HUNDREDTHS OF ONE PERCENT;)

((9) THE RESIDUE SHALL NOT BE MORE THAN TWO PERCENT) *and it conforms to the requirements contained in section 296.01, subdivision 3.*

Sec. 4. Minnesota Statutes 1982, section 296.05, subdivision 4, is amended to read:

Subd. 4. [TESTS, HOW MADE.] All tests shall be made *by the weights and measures division of the department of public service* in accordance with the methods (OF) *outlined in the American Society for Testing and Materials specifications numbered D-439 and D-910.*

Sec. 5. Minnesota Statutes 1982, section 296.05, subdivision 6, is amended to read:

Subd. 6. [AVIATION GASOLINE.] No aviation gasoline shall be received, sold, stored, or withdrawn from storage in this state unless it (SHALL CONFORM) *conforms to the specifications set forth in (SUBDIVISION 1 AND THE PROVISIONS OF SUBDIVISIONS 4 AND 5 SHALL APPLY TO AVIATION GASOLINE) American Society for Testing and Materials specification number D-910.*

Sec. 6. Minnesota Statutes 1982, section 296.05, is amended by adding a subdivision to read:

*Subd. 8. [ALCOHOL-BLENDED FUELS; DISCLOSURE.] A manufacturer, hauler, blender, agent, jobber, consignment agent, importer, or distributor who distributes gasoline containing alcohol shall state on an invoice, bill of lading, shipping paper, or other documentation used in normal and customary business practices, the percentages by volume and the types, if more than one percent, of alcohols contained in the gasoline; except when the gasoline is distributed to the ultimate consumer, such as a bulk delivery to a farmer, only the types of alcohol must be disclosed. In determining compliance with this subdivision, the weights and measures division of the department of public service shall allow a one percent tolerance above or below the percentage stated on the documentation.*

Sec. 7. Minnesota Statutes 1982, section 296.22, is amended by adding a subdivision to read:

*Subd. 13. [GASOLINE-ALCOHOL BLENDS; IDENTIFICATION.] When gasoline blended with alcohol is sold, offered for sale, or dispensed for use in motor vehicles, the dispenser shall be clearly marked to identify each type of alcohol, if more than one percent by volume, blended with the gasoline. The marking shall consist of a white or yellow adhesive decal not less than two inches by six inches with clearly printed black lettering not less than one-half inch high and one-eighth inch in stroke. The marking shall be conspicuously displayed on the front side of the dispenser and state that the gasoline "CONTAINS ETHANOL" or "CONTAINS METHANOL." This subdivision does not prohibit the posting of other alcohol or additive information.*

Sec. 8. [APPROPRIATION; INCREASED COMPLEMENT.]

*The sum of \$50,000 is appropriated from the general fund to the weights and measures division of the department of public service for the purpose of administering sections 1 to 7. The sum is available until June 30, 1985.*

*The general fund complement for the public service department is increased by one position."*

Delete the title and insert:

"A bill for an act relating to motor fuels; setting standards for gasoline and gasoline-alcohol blends; providing testing authority for the weights and measures division of the department of public service; requiring alcohol content disclosure; providing for labeling; appropriating money; amending Minnesota Stat-



utes 1982, sections 296.01, subdivision 3, and by adding a subdivision; 296.05, subdivisions 1, 4, 6, and by adding a subdivision; and 296.22, by adding a subdivision.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2130, A bill for an act relating to administrative procedure; providing for a hearing procedure on certain proposed rules; providing an exemption from the contested case procedures; encouraging the use of negotiated rulemaking; regulating certain incorporations by reference; providing for the adoption of the rule after the hearing; requiring certain information to be contained in a notice to adopt a rule without a public hearing; authorizing interested persons to request a public hearing under certain circumstances; providing for notice of the modification of certain proposed rules; establishing a procedure for the adoption of emergency rules; providing for the expiration of authority for temporary rulemaking; providing for the legal status of certain exempt rules; requiring agencies to maintain official rulemaking records; providing for the judicial determination of the validity of a rule; making various technical changes; amending Minnesota Statutes 1982, sections 14.03, subdivision 2; 14.14, by adding a subdivision; 14.16; 14.23; 14.25; 14.29; 14.30; 14.31; 14.33; 14.35; 14.36; 14.38, subdivision 1; and 14.44; Minnesota Statutes 1983 Supplement, sections 14.07, subdivisions 2 and 4; 14.12; 14.15, subdivision 1; 14.22; 14.26; 14.32; and 14.45; proposing new law coded in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1982, section 14.13; and Minnesota Statutes 1983 Supplement, sections 14.07, subdivision 5; and 14.21.

Reported the same back with the following amendments:

Page 1, line 32, delete “Sec.” and insert “Section”

Pages 2 and 3, delete section 2

Page 5, after line 2, insert:

“Sec. 4. Minnesota Statutes 1983 Supplement, section 14.08, is amended to read:

14.08 [REVISOR OF STATUTE'S APPROVAL OF RULE FORM.]

(a) (FOR THE PURPOSE OF OBTAINING THE REVISOR'S CERTIFICATE OF APPROVAL OF THE FORM OF A RULE PRIOR TO FILING THE RULE WITH THE SECRETARY OF STATE,) Two copies of (THE) a rule *adopted pursuant to the provisions of section 14.26 or 14.32* shall be submitted by the agency to the attorney general. The attorney general shall send one copy of the rule to the revisor on the same day as it is submitted by the agency (TO THE ATTORNEY GENERAL AS REQUIRED BY SECTIONS 14.16,) *under section 14.26 (, AND) or 14.32.* Within five days after receipt of the rule, excluding weekends and holidays, the revisor shall either return the rule with a certificate of approval *of the form of the rule* to the attorney general or notify the attorney general and the agency that the form of the rule will not be approved.

((B)) If the attorney general disapproves (THE) a rule, the agency may modify it (. AFTER THE CHIEF HEARING EXAMINER'S REVIEW, IF ANY,) *and* the agency shall submit two copies of the modified rule to the attorney general who shall send a copy to the revisor for approval as to form as described in *this* paragraph ((A)).

(b) *One copy of a rule adopted after a public hearing shall be submitted by the agency to the revisor for approval of the form of the rule. Within five working days after receipt of the rule, the revisor shall either return the rule with a certificate of approval to the agency or notify the agency that the form of the rule will not be approved.*

(c) If the revisor refuses to approve the form of (ANY RULES) *the rule*, the revisor's notice (TO THE AGENCY AND THE ATTORNEY GENERAL) shall indicate the reason for the refusal and specify the modifications necessary so the form of the (RULES) *rule* will be approved.

Sec. 5. Minnesota Statutes 1982, section 14.10, is amended to read:

#### 14.10 [SOLICITATION OF OUTSIDE INFORMATION.]

When an agency seeks to obtain information or opinions in preparing to propose the adoption, amendment, suspension, or repeal of a rule from sources outside of the agency, the agency shall publish notice of its action in the state register and shall afford all interested persons an opportunity to submit data or views on the subject of concern in writing or orally. Such notice and any written material received by the agency shall become a part of the (HEARING) *rulemaking* record to be submitted to the attorney general *or hearing examiner* under (SECTION 14.16) *sections 14.14, 14.26, or 14.32."*

Page 5, after line 13, insert:

"Sec. 7. [14.131] [STATEMENT OF NEED AND REASONABLENESS.]

*Subdivision 1. [CONTENT OF STATEMENT.] Before the agency orders the publication of a rulemaking notice required by section 14.14, subdivision 1a, the agency must prepare, review, and make available for public review a statement of the need for and reasonableness of the rule. The statement of need and reasonableness must be prepared under rules adopted by the chief hearing examiner.*

Sec. 8. Minnesota Statutes 1988 Supplement, section 14.14, subdivision 1, is amended to read:

**Subdivision 1. [REQUIRED HEARING.] (EXCEPT AS OTHERWISE PROVIDED IN CHAPTER 14, NO RULE MAY BE ADOPTED BY ANY AGENCY UNLESS THE AGENCY FIRST HOLDS)** *When a public hearing is required under section 14.25 or when an agency decides to proceed directly to a public hearing, the agency shall proceed under the provisions of sections 14.14 to 14.20 and hold a public hearing affording all affected interests an opportunity to participate."*

Page 6, line 18, before "**FILING**" insert "**CHIEF HEARING EXAMINER;**"

Page 6, strike lines 25 to 29

Page 6, line 30, strike the period, and before "**If**" insert:

*"Subdivision 1. [REVIEW OF MODIFICATIONS.] If the report of the hearing examiner finds no defects; the agency may proceed to adopt the rule. After receipt of the hearing examiner's report, if the agency makes any modifications to the rule other than those recommended by the hearing examiner, it must return the rule to the chief hearing examiner for a review on the issue of substantial change."*

Page 7, reinstate line 1.

Page 7, line 2, reinstate the stricken "to be informed that the" and after the stricken "record" insert "*rule*" and reinstate "has been"

Page 7, line 3, after the stricken "general" insert "*adopted and filed with the secretary of state*" and reinstate the rest of the line

Page 7, line 4, reinstate the stricken "that the" and after the stricken "submitted" insert "*rule is filed*" and reinstate the stricken period

Page 7, after line 4, insert:

*"Subd. 2. [CORRECTION OF DEFECTS.] If the chief hearing examiner approves the hearing examiner's finding of a defect and advises the agency of actions which will correct the defect pursuant to subdivision 3 of section 14.15, the agency must either withdraw the rule or make the modifications required. The agency shall then resubmit the rule to the chief hearing examiner for a determination as to whether the defects have been corrected."*

Page 7, line 5, before "After" insert "Subd. 3. [FILING.]"

Page 7, line 8, delete "file" and insert "filed"

Page 7, line 23, after "include" insert "a citation to the most specific statutory authority for the proposed rule, and"

Page 7, line 24, strike ", and a citation to" and insert "unless this would exceed four printed pages, in which case the notice may include an explanation of the rule and state that a free copy of the complete rule is available from the agency"

Page 7, line 25, strike everything before the period

Page 12, line 20, strike "five" and insert "ten"

Page 15, delete lines 15 and 16 and insert:

*"No agency may adopt an emergency or temporary rule pursuant to any temporary rulemaking authority granted in a statute enacted prior to March 1, 1984, later than 180"*

Page 15, line 17, delete "day" and insert "date"

Page 15, line 22, after "Statutes" insert "1984"

Page 15, after line 22, insert:

*"The revisor of statutes shall change the term "hearing examiner" or similar terms to "administrative law judge" or similar terms and the term "chief hearing examiner" or similar terms to "chief administrative law judge" or similar terms wherever those terms appear in Minnesota Statutes 1984 with reference to personnel of the office of administrative hearings."*

Page 15, line 28, delete "27" and insert "30"

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete lines 2 to 18

Page 1, line 19, delete everything before the semicolon and insert: "relating to state government; amending the administrative procedure act"

Page 1, line 20, before "14.14," insert "14.10;"

Page 1, line 24, after the first semicolon, insert "14.08;" and after "14.12;" insert "14.14, subdivision 1;"

Page 1, line 29, after the semicolon, insert "14.17;"

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. 2157, A bill for an act relating to the legislative auditor; authorizing the audit of metropolitan agencies, boards, and commissions; amending Minnesota Statutes 1982, section 3.971, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 3.971, subdivision 2, is amended to read:

Subd. 2. To perform program evaluation, the legislative auditor shall determine the degree to which the activities and programs entered into or funded by the state are accomplishing their goals and objectives, including an evaluation of goals and objectives, measurement of program results and effectiveness, alternative means of achieving the same results, and efficiency in the allocation of resources. *At the direction of the commission the legislative auditor may perform program evaluations of any state department, board, commission or agency, and any metropolitan agency created under chapter 473.*

Sec. 2. Minnesota Statutes 1982, section 473.121, is amended by adding a subdivision to read:

*Subd. 37. "Independent certified public accountant" or "public accountant" or words of similar import for purposes of the postaudits of the metropolitan transit commission, the metropolitan airports commission, the metropolitan mosquito control*

*district, and the metropolitan sports facilities commission means the legislative auditor."*

Amend the title as follows:

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, after "subdivision" delete "1" and insert "2; and 473.121, by adding a subdivision"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2164, A bill for an act relating to local government; requiring payments as a condition of annexations; amending Minnesota Statutes 1982, section 414.031, subdivision 4.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1982, section 414.01, is amended by adding a subdivision to read:

*Subd. 16. In proceedings before the board, the board has the authority to require that representatives from the involved city, town, and county shall meet together to discuss the resolution of issues raised at the hearing before the board and other issues of mutual concern. The board may require that the parties meet at least three times over the course of a 60-day period and the board shall designate a person who shall immediately after the last meeting make a report to the board on the results of the meetings."*

Page 3, line 9, delete "*Each annexation shall be conditioned on*"

Page 3, delete lines 10 to 12

Page 3, line 13, delete "*complete the payment in six or fewer years.*" and insert "*Upon determination by the board, an annexation may be conditioned on the payment from the municipality to the town of an amount not to exceed six times the property tax revenue derived by the town from the annexed territory in*

*the year of annexation. The municipality shall complete the payment as determined by the board in six or fewer years."*

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the semicolon insert "authorizing the Minnesota municipal board to require cities, towns, and counties to meet and discuss certain issues;"

Page 1, line 4, delete "section" and insert "sections 414.01, by adding a subdivision; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 2173, A bill for an act relating to housing; prohibiting certain rent control ordinances in cities, counties, and towns; proposing new law coded in Minnesota Statutes, chapter 471.

Reported the same back with the following amendments:

Page 1, line 8, delete "*The legislature finds and*"

Page 1, delete lines 9 and 10

Page 1, line 11, delete "*Therefore,*"

Page 1, delete lines 23 to 25

Page 2, delete lines 1 to 10 and insert:

*"Subd. 2. [EXCEPTION.] Subdivision 1 does not preclude a statutory or home rule charter city, county, or town from controlling rents on private residential property to the extent that the city, county, or town has the power to adopt an ordinance, charter amendment, or law to control these rents if the ordinance, charter amendment, or law that controls rents is approved in a general election. Subdivision 1 does not limit any power or authority of the voters of a statutory or home rule charter city, county, or town to petition for an ordinance or charter amendment to control rents on private residential property to the extent that the power or authority is otherwise provided for by law, and if the ordinance or charter amendment is approved in*

*a general election. This subdivision does not grant any additional power or authority to the citizens of a statutory or home rule charter city, county, or town to vote on any question beyond that contained in other law.*

*Subdivision 1 does not apply to any statutory city unless the citizens of the statutory city have the authority to vote on the issue of rent control granted by other law."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Mann from the Committee on Transportation to which was referred:

H. F. No. 2177, A bill for an act relating to transportation; authorizing extension of I-35 in Duluth; amending Minnesota Statutes 1982, sections 161.12; and 161.1245, by adding a subdivision.

Reported the same back with the following amendments:

Page 3, lines 5 and 6, delete "*is authorized and directed to*" and insert "*shall*"

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. 2247, A bill for an act relating to public health; exempting increases of less than five swing beds from certificate of need review; amending Minnesota Statutes 1982, section 145.833, subdivision 5.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2299, A bill for an act relating to natural resources; eliminating duplicative appraisal reviews in land acquisition



procedures; amending Minnesota Statutes 1982, section 84.0272; repealing Minnesota Statutes 1982, section 84.0271.

Reported the same back with the following amendments:

Page 2, delete lines 12 and 13

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

H. F. No. 2301, A bill for an act relating to veterans; requiring veterans organizations to file reports to the commissioner of veterans affairs; proposing new law coded in Minnesota Statutes, chapter 197.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [349.41] [ANNUAL REPORTS.]

*On or before June 30 annually, every organization that conducts bingo, raffles, pull-tabs, tipboards, or paddlewheels under this chapter shall file a report with the department of revenue specifying the gross receipts, prize payouts, and profit earned from conducting each of the above activities and the manner in which any profits are used for charitable purposes in the community. If a charitable organization contracts with a fund raising organization, that contract must follow the department of revenue rules which will provide the necessary data. The department of revenue shall develop those rules under chapter 14.”*

Delete the title and insert:

“A bill for an act relating to gambling; requiring organizations conducting gambling under chapter 349 to file annual reports; proposing new law coded in Minnesota Statutes, chapter 349.”

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2302, A bill for an act relating to state land; modifying certain procedures relating to sale of surplus state land; amending Minnesota Statutes 1982, section 94.10, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 94.10, subdivision 2, is amended to read:

Subd. 2. (a) *Lands certified as surplus by the head of a department or agency other than the department of natural resources shall be offered for public sale by the commissioner of administration as provided in this paragraph. After complying with subdivision 1 and before any public sale of surplus state owned land is made, the commissioner of administration shall publish a notice thereof at least once in each week for four successive weeks in a legal newspaper and also in a newspaper of general distribution in the city or county in which the real property to be sold is situated, which notice shall specify the time and place in the county at which the sale will commence, a description of the lots or tracts to be offered, and a general statement of the terms of sale. Each tract or lot shall be sold separately and shall be sold for not less than the appraised value thereof.*

(b) *Lands certified as surplus by the commissioner of natural resources shall be offered for public sale by the commissioner of natural resources in the manner provided in paragraph (a) for sales by the commissioner of administration.*

(c) *The cost of any survey or appraisal as provided in subdivision 1 shall be added to and made a part of the appraised value of the lands to be sold, whether to any political subdivision of the state or to a private purchaser as provided in this subdivision.”*

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation and Veterans Affairs to which was referred:

S. F. No. 416, A bill for an act relating to certain towns in Goodhue County; authorizing the town board to set the hours the polling places will be open in town elections.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 205.175, subdivision 2, is amended to read:

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) *a metropolitan county as defined by section 473.121*, 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.

Sec. 2. Minnesota Statutes 1983 Supplement, section 205.175, 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 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 *or changed because of request by voters as provided in this subdivision. If a petition requesting longer voting hours, signed by a number of voters equal to 20 percent of the votes cast at the last town election, is presented to the town clerk no later than 30 days prior to the town election, then the polling places for that election shall open at 10:00 a.m. and close at 8:00 p.m. The town clerk shall give ten days notice of the changed voting hours and notify the county auditor of the change.*”

Delete the title and insert:

“A bill for an act relating to town elections; authorizing towns to set the hours for polling places; amending Minnesota Statutes 1983 Supplement, section 205.175, subdivisions 2 and 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. 1114, A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and waysides; authorizing land acquisition in relation thereto.

Reported the same back with the following amendments:

Page 2, after line 23, insert:

"Subd. 5. [85.012] [Subd. 30.] [JAY COOKE STATE PARK.] *The following area is deleted from Jay Cooke State Park:*

*That part of the unplatted portion of Government Lot 1 of Section 8, Township 48 North, Range 16 West, lying northerly and easterly of the former Lake Superior and Mississippi Railroad Company Fond Du Lac Branch right-of-way, southerly of the former Burlington Northern Inc.'s St. Paul to Duluth Branch right-of-way and easterly of the right-of-way of Minnesota Highway 210.*

Subd. 6. [85.012] [Subd. 55.] [TEMPERANCE RIVER STATE PARK.] *The following area is added to Temperance River State Park:*

*Government Lot 1, except the East Half thereof of Section 31; that part of Government Lots 2 and 3 and the Southwest Quarter of the Southwest Quarter of Section 29 lying southerly of U.S. Highway 61; and that part of Government Lot 1 of Section 32 lying southerly of U.S. Highway 61 and east of a line run parallel with and distant 570 feet west of the southerly extension of the east line of the Southwest Quarter of the Southwest Quarter of said Section 29; all in Township 59 North, Range 4 West.*

Subd. 7. [85.012] [Subd. 55a.] [TETTEGOUCHE STATE PARK.] *The following area is added to Tettegouche State Park:*

*The Northeast Quarter of the Southwest Quarter of Section 9 and the West Half of the Northwest Quarter of Section 15, Township 56 North, Range 7 West.*

*The West Half of the Northwest Quarter of Section 15, Township 56 North, Range 7 West, consists of tax-forfeited lands which are transferred from the custody, control, and supervision of the Lake County Board of Commissioners to the commissioner of natural resources, free from any trust in favor of the interested taxing districts, for inclusion in Tettegouche State Park. However, this transfer is effective only after conveyance to Lake County, by the commissioner of natural resources, in a form to be approved by the attorney general, the North Half of the Southwest Quarter of Section 23, Township 56 North, Range 8 West."*

Page 2, line 24, delete "5" and insert "8"

Page 3, after line 19, insert:

"Sec. 3. [85.013] [Subd. 10.] [FLOOD BAY STATE WAY-SIDE.]

*The following areas are deleted from the Flood Bay State Wayside:*

(a) *That part of Government Lot 2, Section 32, Township 53 North, Range 10 West of the fourth principal meridian, lying southeasterly of the southeasterly right-of-way line of U.S. Highway 61 and northeasterly of a line described as follows: beginning at the Northwest Corner of said Government Lot 2, run southeasterly at an angle of 59 degrees with the West Line of said Government Lot 2 to the low water mark of Lake Superior, and said line there terminating, except a strip of land one hundred twenty-five feet in width lying northwesterly of the low water mark of Lake Superior.*

(b) *That part of Government Lot 1, Section 32, Township 53 North, Range 10 West of the fourth principal meridian, lying southeasterly of the southeasterly right-of-way line of U.S. Highway 61 and southwesterly of a line described as follows: commencing at the intersection of the West Line of said Section 32 with the centerline of said U.S. Highway 61, thence northeasterly along said centerline a distance of nine hundred thirty feet to the beginning of the line to be described; thence deflect 90 degrees 00 minutes to the right in a southeasterly direction to the low water mark of Lake Superior and said line there terminating, except a strip of land one hundred twenty-five feet in width lying northwesterly of the low water mark of Lake Superior.*

*These deletions are effective only if: (1) the commissioner of natural resources determines that the deletions and the proposed subsequent developments are in the public interest and consistent with the continued operation and preservation of the remainder of the wayside, considering the environmental impacts as described by an environmental impact statement found to be adequate by the environmental quality board under section 116D.04, any proposed mitigation measures and the economic and engineering feasibility of the project; and (2) the senate agriculture and natural resources committee and the house environment and natural resources committee review and approve the commissioner's determination. If these committees do not approve his determination, the commissioner shall submit it as a recommendation to the 1985 legislature. If the deletions become effective, notwithstanding any limitations contained in Minnesota Statutes, sections 92.45, 94.342, or 94.343 restricting the sale or exchange of state park land or land devoted to a specific public use, or of land bordering public waters, the commissioner may sell or exchange the deleted portions of Flood Bay State Wayside in the manner otherwise provided by law. The commissioner shall include in any deed issued for the area a condition requiring that this area be developed and*

*operated in a manner consistent with the continued operation and preservation of the remaining portions of Flood Bay State Wayside."*

Page 3, after line 27, insert:

**"Sec. 5. [LAKE COUNTY LAND EXCHANGE.]**

*Notwithstanding section 282.018, Lake County may exchange ten 40-acre parcels of tax-forfeited land for land of equal value within the city of Silver Bay, provided that the commissioner of revenue pursuant to section 282.37 grants a permanent 50-foot wide public easement on each side of public waters involved. The parcels to be exchanged are described as follows:*

*The Northeast Quarter of the Northeast Quarter of Section 1, Township 55, Range 9; the Southeast Quarter of the Northeast Quarter of Section 1, Township 55, Range 9; the Southeast Quarter of the Southwest Quarter of Section 1, Township 55, Range 9; the Northeast Quarter of the Southeast Quarter of Section 1, Township 55, Range 9; the Northwest Quarter of the Southeast Quarter of Section 1, Township 55, Range 9; the Southwest Quarter of the Southeast Quarter of Section 1, Township 55, Range 9; the Southeast Quarter of the Southeast Quarter of Section 1, Township 55, Range 9; the Northeast Quarter of the Northeast Quarter of Section 2, Township 55, Range 9; the Northwest Quarter of the Northeast Quarter of Section 2, Township 55, Range 9; the Southeast Quarter of the Northeast Quarter of Section 2, Township 55, Range 9."*

Renumber sections in sequence

Amend the title as follows:

Page 1, line 5, before the period insert "; authorizing land exchange within Lake County"

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 1396, A bill for an act relating to local government; requiring the county board of adjustment to take the town board's recommendation into consideration when making certain decisions; amending Minnesota Statutes 1982, section 394.27, subdivision 5.

Reported the same back with the following amendments:

Page 1, delete lines 25 and 26

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

House Resolution No. 24, A house resolution condemning the Adolph Coors Brewery for its negative policies and practices.

Reported the same back with the following amendments:

Delete everything after the title and insert:

*Whereas*, the Coalition of Black Trade Unionists, A. Phillip Randolph Institute, labor organizations, civil rights, feminist, consumer and environmental organizations throughout the United States sanctioned a national boycott of the Adolph Coors Brewery, brewers of Coors Beer, Coors Light Beer, Herman Joseph's 1868, Killian's Irish Red and Golden Lager; and

*Whereas*, the boycott was instituted because of Coors management's violations of basic human rights that forced the membership of Brewery Workers Local 366, DALU AFL-CIO, to strike Coors on April 5, 1977; and

*Whereas*, the only strike issue was human dignity, including forced lie detector tests by Coors which pried into workers' sex lives, sexual practices and preferences, political and religious beliefs, financial status, and other matters of private concern; and

*Whereas*, the issues that forced the Brewery Workers to strike Coors in 1977 remain as the Coors Company continues to demand that all employees take lie detector tests, be subjected to search and seizure raids, forced physical exams, and elimination of seniority rights; and

*Whereas*, the Adolph Coors Company had a long history of race and sex discrimination until 1977 when it settled a suit filed by the Equal Employment Opportunity Commission (EEOC) after Coors refused to even discuss affirmative action policy with Local 366; and

*Whereas*, the Coors Company then hired enough women and minorities as strikebreakers to achieve token representation; and

*Whereas*, William K. Coors urged employees to write members of Congress in opposition to the Civil Rights Act of 1964; and

*Whereas*, Coors has donated to and actively supports anti-ERA organizations; and

*Whereas*, through its contract the Coors Company denies its employees the right of freedom of expression; and

*Whereas*, Coors has funded and actively supports organizations, politicians, and legislation that are in opposition to the best interests and survival of workers, the poor, elderly, women, minorities, and other groups on the lower rungs of the economic ladder; and

*Whereas*, the philosophy of the owners has not changed over the years since on February 23, 1984, William K. Coors told a meeting of Black business owners that Black Africa's troubled economy was caused by a "lack of intellectual capacity" and that "one of the best things they (slave traders) did for you is to drag your ancestors over here in chains"; and

*Whereas*, Coors was the founder and major financial supporter of Mountain States Legal Foundation, an organization opposed to government regulation of the environment as was its first director, James Watt; *Now, Therefore*,

*Be It Resolved*, that the Minnesota House of Representatives condemns the Adolph Coors Brewery and its family owners for discriminatory and negative policies and practices regarding employees, unions, civil rights, women's rights, and the environment."

With the recommendation that when so amended the resolution be adopted and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

#### SECOND READING OF HOUSE BILLS

H. F. Nos. 1213, 1449, 1473, 1666, 1770, 1772, 1790, 1809, 1831, 1845, 1847, 1851, 2020, 2036, 2055, 2078, 2081, 2130, 2164, 2173, 2177, 2247, 2299, 2301 and 2302 were read for the second time.

#### SECOND READING OF SENATE BILLS

S. F. Nos. 1770, 1810, 1927, 416, 1114 and 1396 were read for the second time.



INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House Files were introduced:

Greenfield introduced:

H. F. No. 2310, A bill for an act relating to occupations and professions; providing for licensing of electrologists; providing penalties; proposing new law coded in Minnesota Statutes, chapter 148.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Piper introduced:

H. F. No. 2311, A bill for an act relating to taxation; providing an income tax credit for employers who invest in certain rehabilitation facilities and personnel; amending Minnesota Statutes 1982, section 290.06, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Graba introduced:

H. F. No. 2312, A resolution memorializing the United States Congress to allow greater flexibility in the use of federal funds for veterans care facilities and programs.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Segal, Pauly and Coleman introduced:

H. F. No. 2313, A bill for an act relating to taxation; income; providing an itemized deduction for post-secondary tuition payments; amending Minnesota Statutes 1983 Supplement, section 290.089, subdivision 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Rice, for the Committee on Appropriations, introduced:

H. F. No. 2314, A bill for an act relating to capital improvements; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; reducing and canceling certain appropriations; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1982, sections 16.72, subdivision 7; 85A.04, subdivision 3; 475A.03, subdivision 1; 475A.05, subdivision 1, and by adding a subdivision; 475A.06, subdivision 7; and Laws 1983, chapter 344, section 6, subdivision 8; repealing Laws 1981, chapter 275; and chapter 334, section 11, subdivision 4; and Laws 1982, chapter 639, section 5.

The bill was read for the first time and laid over one day.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1784, A bill for an act relating to the state board of investment; establishing combined investment funds; amending Minnesota Statutes 1982, sections 11A.14; and 11A.24, subdivision 2; and Minnesota Statutes 1983 Supplement, section 11A.24, subdivision 1; repealing Minnesota Statutes 1982, section 356.20, subdivision 5.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1944, A bill for an act relating to financial institutions; qualifying obligations of the African Development Bank for public and private investment; amending Minnesota Statutes 1982, sections 11A.24, subdivision 2; 50.14, by adding a subdivision; and 61A.28, subdivision 2; Minnesota Statutes 1983 Supplement, section 60A.11, subdivision 14.

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. 97 and 1750.

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. 1656, 1843, 2016, 2083, 2148 and 2145.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 97, A bill for an act relating to the environment; requiring notice of intent to develop uranium; creating a uranium policy and regulation development committee; requiring an environmental analysis and reports to the legislature; requiring meetings and public participation; imposing a penalty; proposing new law coded in Minnesota Statutes, chapter 116C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1750, A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivisions 8 and 9; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; Minnesota

Statutes 1983 Supplement, sections 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law coded in Minnesota Statutes, chapter 345.

The bill was read for the first time.

Segal moved that S. F. No. 1750 and H. F. No. 1632, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1656, A bill for an act relating to communications; providing conditions for extension of cable communications service outside the boundaries of a core service unit; amending Minnesota Statutes 1982, section 238.17, subdivision 1.

The bill was read for the first time and referred to the Committee on Regulated Industries.

S. F. No. 1843, A bill for an act relating to courts; providing for the appointment of chief judge and assistant chief judge for each judicial district; clarifying the administrative authority of the chief judge; amending Minnesota Statutes 1982, section 484.69, subdivisions 1 and 3.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 2016, A bill for an act relating to the office of the secretary of state; providing for the simplification of various filings with that office; eliminating or transferring certain filings; eliminating the requirement of publication after incorporation; amending Minnesota Statutes 1982, sections 35.14; 62C.06, subdivision 3; 62G.08, subdivision 2; 66A.08, subdivision 4; 72A.43, subdivisions 1 and 2; 121.212, subdivision 3; 169.966, subdivision 7; 272.483; 315.15; 315.20, subdivisions 2 and 3; 315.23, subdivision 2; 315.32; 315.365, subdivision 2; 325D.67, subdivisions 5 and 6; 365.46; 379.05; 507.10; Minnesota Statutes 1983 Supplement, sections 507.09; and 648.39, subdivision 1.

The bill was read for the first time.

Ellingson moved that S. F. No. 2016 and H. F. No. 2023, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2083, A resolution memorializing the Administrator of General Services of the United States of the development of a permanent operation plan for the distribution of federal surplus property.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

S. F. No. 2148, A bill for an act relating to local government; permitting a land transfer between Ramsey County and the city of Shoreview.

The bill was read for the first time.

Bennett moved that S. F. No. 2148 and H. F. No. 2255, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2145, A bill for an act relating to Olmsted County; allowing contracts for solid waste management property, facilities, and services to be let without advertisement for bids.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

### CONSENT CALENDAR

H. F. No. 427 was reported to the House.

There being no objection H. F. No. 427 was continued on the Consent Calendar for one day.

H. F. No. 756 was reported to the House.

Valan moved to amend H. F. No. 756, the first engrossment, as follows:

Page 1, after line 6, insert:

“Section 1. Minnesota Statutes 1982, section 359.01, is amended to read:

359.01 [COMMISSION.]

*Subdivision 1. [RESIDENT NOTARIES.]* The governor may appoint and commission as notaries public, by and with the advice and consent of the senate, as many citizens of this state, over the age of 18 years, resident in the county for which appointed, as he deems necessary.

*Subd. 2. [NONRESIDENT NOTARIES.]* Notwithstanding the provisions of subdivision 1, the governor may appoint as notaries public, by and with the advice and consent of the senate, persons who are not citizens of this state and who are not residents of the county for which appointment is sought by designating the clerk of the district court of the county in which appointment is sought as agent for the service of process for all purposes and for receipt of all correspondence relating to notarial acts.

*Subd. 3. [FEES.]*

The fee for each commission shall not exceed \$10, and shall be paid to the governor's private secretary."

Page 1, line 25, delete "1" and insert "2"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after the second semicolon insert "authorizing appointment of out-of-state notaries; requiring designation of the clerk of district court of the county in which appointment is sought as agent for out-of-state notaries;"

Page 1, line 4, delete "section" and insert "sections 359.01; and"

The motion prevailed and the amendment was adopted.

H. F. No. 756, A bill for an act relating to notaries public; changing the term of office; increasing the required bond amount; authorizing appointment of out-of-state notaries; requiring designation of the clerk of district court of the county in which appointment is sought as agent for out-of-state notaries; amending Minnesota Statutes 1982, sections 359.01; and 359.02.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	DenOuden	Jacobs	Murphy	Rice
Anderson, G.	Dimler	Jennings	Nelson, D.	Rivencess
Anderson, R.	Eken	Jensen	Nelson, K.	Rodosovich
Battaglia	Elioff	Johnson	Neuenschwander	Rodriguez, C.
Beard	Ellingson	Kahn	Norton	Rodriguez, F.
Begich	Erickson	Kelly	O'Connor	Rose
Bennett	Evans	Knickerbocker	Ogren	St. Onge
Bergstrom	Findlay	Knuth	Olsen	Sarna
Blatz	Fjoslien	Kostohryz	Omann	Schafer
Boo	Forsythe	Krueger	Onnen	Scheid
Brandl	Graba	Kvam	Osthoff	Seaberg
Brinkman	Greenfield	Larsen	Otis	Segal
Burger	Gruenes	Levi	Pauly	Shea
Carlson, D.	Gustafson	Ludeman	Peterson	Sherman
Carlson, L.	Gutknecht	Mann	Piepho	Simoneau
Clark, J.	Halberg	Marsh	Piper	Skoglund
Clark, K.	Haukoos	McDonald	Price	Solberg
Clawson	Heap	McEachern	Quinn	Sparby
Cohen	Heinitz	McKasy	Quist	Staten
Coleman	Hoffman	Metzen	Redalen	Sviggum
Dempsey	Hokr	Minne	Reif	Swanson

Thiede	Valan	Voss	Welle	Zaffke
Tomlinson	Valento	Waltman	Wenzel	Speaker Sieben
Tunheim	Vanasek	Welch	Wigley	
Uphus	Vellenga	Welker	Wynia	

The bill was passed, as amended, and its title agreed to.

H. F. No. 1850 was reported to the House.

There being no objection H. F. No. 1850 was temporarily laid over on the Consent Calendar.

H. F. No. 2162, A bill for an act relating to Minnesota Statutes; providing for the replacement of gender-specific references with neutral or equal references to gender; imposing duties on the revisor of statutes and other legislative staff; setting goals; providing for the accomplishment of goals within existing resources.

The bill was read for the third 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:

Anderson, B.	Erickson	Knuth	Otis	Solberg
Anderson, C.	Evans	Kostohryz	Pauly	Sparby
Anderson, R.	Findlay	Krueger	Peterson	Staten
Battaglia	Fjoslien	Kvam	Piepho	Sviggum
Beard	Forsythe	Larsen	Piper	Swanson
Begich	Frerichs	Levi	Price	Thiede
Bennett	Graba	Long	Quinn	Tomlinson
Bergstrom	Greenfield	Ludeman	Quist	Tunheim
Blatz	Gruenes	Mann	Redalen	Uphus
Boo	Gustafson	Marsh	Reif	Valan
Brandl	Gutknecht	McDonald	Rice	Valento
Brinkman	Halberg	McEachern	Riveness	Vanasek
Burger	Haukoos	McKasy	Rodosovich	Vellenga
Carlson, D.	Heap	Metzen	Rodriguez, C.	Waltman
Carlson, L.	Heinitz	Minne	Rodriguez, F.	Welch
Clark, J.	Himle	Murphy	Rose	Welker
Clark, K.	Hoffman	Nelson, D.	St. Onge	Welle
Clawson	Hokr	Nelson, K.	Sarna	Wenzel
Cohen	Jacobs	Neuenschwander	Schafer	Wigley
Coleman	Jennings	Norton	Schreiber	Wynia
Dempsey	Jensen	O'Connor	Seaberg	Zaffke
DenOuden	Johnson	Ogren	Segal	Speaker Sieben
Dimler	Kahn	Olsen	Shea	
Eken	Kalis	Omann	Sherman	
Elioff	Kelly	Onnen	Simoneau	
Ellingson	Knickerbocker	Osthoff	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 2238, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell certain lands in Koochiching County; appropriating money.

The bill was read for third 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:

Anderson, B.	Erickson	Kestohryz	Otis	Skoglund
Anderson, R.	Evans	Krueger	Pauly	Solberg
Battaglia	Findlay	Kvam	Peterson	Sparby
Beard	Fjoslien	Larsen	Picpho	Staten
Begich	Foreythe	Levi	Piper	Swiggum
Bennett	Frerichs	Long	Price	Swanson
Bergstrom	Graba	Ludeman	Quinn	Thiede
Blatz	Greenfield	Mann	Quist	Tomlinson
Boo	Gruenes	Marsh	Redalen	Tunheim
Brandl	Gustafson	McDonald	Reif	Uphus
Brinkman	Gutknecht	McEachern	Rice	Valan
Burger	Haukoos	McKasy	Riveness	Valento
Carlson, D.	Heap	Metzen	Rodosovich	Vanasek
Carlson, L.	Heinitz	Minne	Rodriguez, C.	Vellenga
Clark, J.	Himle	Murphy	Rodriguez, F.	Voss
Clark, K.	Hoberg	Nelson, D.	Rose	Waltman
Clawson	Hoffman	Nelson, K.	St. Onge	Welch
Cohen	Hokr	Neuenschwander	Sarna	Welker
Coleman	Jacobs	Norton	Schafer	Welle
Dempsey	Jensen	O'Connor	Schreiber	Wenzel
DenOuden	Johnson	Ogren	Seaberg	Wigley
Dimler	Kahn	Olsen	Segal	Wynia
Eken	Kelly	Omann	Shea	Zaffke
Elioff	Knickerbocker	Onnen	Sherman	Speaker Sieben
Ellingson	Knuth	Osthoff	Simoneau	

The bill was passed and its title agreed to.

S. F. No. 7, A bill for an act relating to St. Louis County; providing for the tort liability of the St. Louis County Promotional Bureau.

The bill was read for the third 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:

Anderson, B.	Begich	Brandl	Clark, J.	Dempsey
Anderson, G.	Bennett	Brinkman	Clark, K.	DenOuden
Anderson, R.	Bergstrom	Burger	Clawson	Dimler
Battaglia	Blatz	Carlson, D.	Cohen	Eken
Beard	Boo	Carlson, L.	Colcman	Elioff



Ellingson	Jensen	Nelson, D.	Riveness	Thiede
Erickson	Johnson	Nelson, K.	Rodosovich	Tomlinson
Evans	Kahn	Neuenschwander	Rodriguez, C.	Tunheim
Findlay	Kelly	Norton	Rodriguez, F.	Uphus
Fjoslien	Knickerbocker	O'Connor	Rose	Valan
Forsythe	Knuth	Ogren	St. Onge	Valento
Frerichs	Kostohryz	Olsen	Sarna	Vanasek
Graba	Krueger	Omman	Schafer	Vellenga
Greenfield	Kvam	Onnen	Schreiber	Voss
Gruenes	Larsen	Osthoff	Seaberg	Waltman
Gustafson	Levi	Otis	Segal	Welch
Gutknecht	Long	Pauly	Shea	Welker
Haukoos	Ludeman	Peterson	Sherman	Welle
Heap	Mann	Piepho	Simoneau	Wenzel
Heinitz	Marsh	Piper	Skoglund	Wigley
Himle	McDonald	Price	Solberg	Wynia
Hoberg	McEachern	Quinn	Sparby	Zaffke
Hoffman	McKasy	Quist	Stadum	Speaker Sieben
Hokr	Metzen	Redalen	Staten	
Jacobs	Minne	Reif	Sviggum	
Jennings	Murphy	Rice	Swanson	

The bill was passed and its title agreed to.

S. F. No. 1041, A bill for an act relating to the city of Plymouth; giving the city the powers of a port 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 119 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knuth	Onnen	Skoglund
Anderson, G.	Evans	Kostohryz	Osthoff	Solberg
Anderson, R.	Findlay	Krueger	Otis	Sparby
Battaglia	Fjoslien	Kvam	Pauly	Stadum
Beard	Forsythe	Larsen	Peterson	Staten
Begich	Frerichs	Levi	Piepho	Swanson
Bennett	Graba	Long	Piper	Thiede
Bergstrom	Greenfield	Mann	Price	Tomlinson
Blatz	Gruenes	Marsh	Quinn	Tunheim
Boo	Gustafson	McDonald	Quist	Uphus
Brandl	Gutknecht	McEachern	Redalen	Valan
Brinkman	Haukoos	McKasy	Reif	Valento
Burger	Heap	Metzen	Rodosovich	Vanasek
Carlson, D.	Heinitz	Minne	Rodriguez, C.	Vellenga
Carlson, L.	Himle	Munger	Rodriguez, F.	Voss
Clark, J.	Hoberg	Murphy	Rose	Waltman
Clark, K.	Hoffman	Nelson, D.	St. Onge	Welch
Clawson	Hokr	Nelson, K.	Sarna	Welle
Cohen	Jacobs	Neuenschwander	Schreiber	Wenzel
Coleman	Jensen	Norton	Seaberg	Wigley
Dempsey	Johnson	O'Connor	Segal	Wynia
Eken	Kahn	Ogren	Shea	Zaffke
Elioff	Kelly	Olsen	Sherman	Speaker Sieben
Ellingson	Knickerbocker	Omman	Simoneau	

Those who voted in the negative were:

DenOuden      Ludeman      Schafer      Welker

The bill was passed and its title agreed to.

H. F. No. 1010, A bill for an act relating to the city of Thief River Falls; changing restrictions on filing and recording certain conveyances.

The bill was read for the third 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:

Anderson, B.	Erickson	Knuth	Osthoff	Skoglund
Anderson, G.	Evans	Kostohryz	Otis	Solberg
Anderson, R.	Findlay	Krueger	Pauly	Sparby
Battaglia	Fjoslien	Kvam	Peterson	Staten
Beard	Forsythe	Larsen	Piepho	Sviggum
Begich	Frerichs	Levi	Piper	Swanson
Bennett	Graba	Long	Price	Thiede
Bergstrom	Greenfield	Ludeman	Quinn	Tomlinson
Blatz	Gruenes	Mann	Quist	Tunheim
Boo	Gustafson	Marsh	Redalen	Uphus
Brandl	Gutknecht	McDonald	Reif	Valan
Brinkman	Halberg	McEachern	Rice	Valento
Burger	Haukoos	McKasy	Riveness	Vanasek
Carlson, D.	Heap	Metzen	Rodosovich	Vellenga
Carlson, L.	Heinitz	Minne	Rodriguez, C.	Voss
Clark, J.	Himle	Munger	Rodriguez, F.	Waltman
Clark, K.	Hoberg	Murphy	Rose	Welch
Clawson	Hoffman	Nelson, D.	St. Onge	Welker
Cohen	Hokr	Nelson, K.	Sarna	Welle
Coleman	Jacobs	Neuenschwander	Schafer	Wenzel
Dempsey	Jensen	Norton	Schreiber	Wigley
DenOuden	Johnson	O'Connor	Seaberg	Wynia
Dimler	Kahn	Ogren	Segal	Zaffke
Eken	Kalis	Olsen	Shea	Speaker Sieben
Elioff	Kelly	Omann	Sherman	
Ellingson	Knickerbocker	Onnen	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1835, A bill for an act relating to transportation; allowing prepayment of state contractual obligations to governmental subdivisions under agreements for the construction, improvement, or maintenance of trunk highways; amending Minnesota Statutes 1982, section 16A.41, subdivision 1, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knuth	Otis	Skoglund
Anderson, G.	Evans	Kostohryz	Pauly	Solberg
Anderson, R.	Findlay	Krueger	Peterson	Sparby
Battaglia	Fjoslien	Kvam	Piepho	Staten
Beard	Forsythe	Larsen	Piper	Sviggum
Begich	Frerichs	Levi	Price	Swanson
Bennett	Graba	Long	Quinn	Thiede
Bergstrom	Greenfield	Ludeman	Quist	Tomlinson
Bishop	Gruenes	Mann	Redalen	Tunheim
Blatz	Gustafson	Marsh	Reif	Uphus
Boo	Gutknecht	McDonald	Rice	Valan
Brandl	Halberg	McEachern	Riveness	Valento
Brinkman	Haukoos	McKasy	Rodosovich	Vanasek
Burger	Heap	Metzen	Rodriguez, C.	Vellenga
Carlson, D.	Heinitz	Minne	Rodriguez, F.	Voss
Carlson, L.	Himle	Munger	Rose	Waltman
Clark, J.	Hoberg	Murphy	St. Onge	Welch
Clark, K.	Hoffman	Nelson, D.	Sarna	Welker
Clawson	Hokr	Nelson, K.	Schafer	Welle
Cohen	Jacobs	Neuenschwander	Scheid	Wenzel
Coleman	Jensen	Norton	Schreiber	Wigley
Dempsey	Johnson	O'Connor	Seaberg	Wynia
DenOuden	Kahn	Ogren	Segal	Zaffke
Eken	Kalis	Olsen	Shea	Speaker Sieben
Elioff	Kelly	Omann	Sherman	
Ellingson	Knickerbocker	Onnen	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1850 which was temporarily laid over earlier today was again reported to the House.

H. F. No. 1850, A bill for an act relating to statutes; conforming various laws to judicial decisions of unconstitutionality; amending Minnesota Statutes 1982, sections 297A.25, subdivision 4; and 609.341, subdivision 11; repealing Minnesota Statutes 1982, section 238.07.

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 124 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Bergstrom	Carlson, D.	Dempsey	Findlay
Anderson, G.	Bishop	Carlson, L.	DenOuden	Fjoslien
Anderson, R.	Blatz	Clark, J.	Eken	Forsythe
Battaglia	Boo	Clark, K.	Elioff	Frerichs
Beard	Brandl	Clawson	Ellingson	Greenfield
Begich	Brinkman	Cohen	Erickson	Gruenes
Bennett	Burger	Coleman	Evans	Gustafson

Gutknecht	Kvam	O'Connor	Rodriguez, F.	Thiede
Halberg	Larsen	Ogren	Rose	Tunheim
Haukoos	Levi	Olsen	St. Onge	Uphus
Heap	Long	Omann	Sarna	Valan
Heinitz	Ludeman	Onnen	Schafer	Valento
Himle	Mann	Osthoff	Scheid	Vanasek
Hoffman	Marsh	Otis	Schreiber	Vellenga
Hokr	McDonald	Pauly	Scaberg	Voss
Jacobs	McEachern	Peterson	Segal	Waltman
Jensen	McKasy	Piepho	Shea	Welch
Johnson	Metzen	Piper	Sherman	Welker
Kahn	Minne	Price	Simoneau	Welle
Kalis	Munger	Quist	Skoglund	Wenzel
Kelly	Murphy	Redalen	Solberg	Wigley
Knickerbocker	Nelson, D.	Reif	Sparby	Wynia
Knuth	Nelson, K.	Riveness	Stadum	Zaffke
Kostohryz	Neuenschwander	Rodosovich	Sviggum	Speaker Sieben
Krueger	Norton	Rodriguez, C.	Swanson	

Those who voted in the negative were:

Graba

The bill was passed and its title agreed to.

H. F. No. 1886, A bill for an act relating to the dissemination and collection of data; welfare data; providing for the release of information in emergencies; classifying investigative data not on individuals; classifying certain licensing data; establishing procedures for the handling of medical data; amending Minnesota Statutes 1982, section 13.46, subdivisions 3, 4, 5, and 6; and Minnesota Statutes 1983 Supplement, section 13.46, 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clawson	Gutknecht	Krueger	Norton
Anderson, G.	Cohen	Halberg	Kvam	O'Connor
Anderson, R.	Coleman	Haukoos	Larsen	Ogren
Battaglia	DenOuden	Heap	Levi	Olsen
Beard	Dimler	Heinitz	Long	Omann
Begich	Eken	Himle	Ludeman	Onnen
Bennett	Elioff	Hoffman	Mann	Osthoff
Bergstrom	Ellingson	Hokr	Marsh	Otis
Bishop	Erickson	Jacobs	McDonald	Pauly
Blatz	Evans	Jennings	McEachern	Peterson
Boo	Findlay	Jensen	McKasy	Piepho
Brandl	Fjoslien	Johnson	Metzen	Piper
Brinkman	Forsythe	Kahn	Minne	Price
Burger	Frerichs	Kalis	Munger	Quinn
Carlson, D.	Graba	Kelly	Murphy	Quist
Carlson, L.	Greenfield	Knickerbocker	Nelson, D.	Redalen
Clark, J.	Grucnes	Knuth	Nelson, K.	Reif
Clark, K.	Gustafson	Kostohryz	Neuenschwander	Rice

Riveness	Schoenfeld	Sparby	Valan	Wenzel
Rodosovich	Schreiber	Stadum	Valento	Wigley
Rodriguez, C.	Seaberg	Staten	Vanasek	Wynia
Rodriguez, F.	Segal	Sviggum	Vellenga	Zaffke
Rose	Shea	Swanson	Voss	Speaker Sieben
St. Onge	Sherman	Thiede	Waltman	
Sarna	Simoneau	Tomlinson	Welch	
Schafer	Skoglund	Tunheim	Welker	
Scheid	Solberg	Uphus	Welle	

The bill was passed and its title agreed to.

H. F. No. 2047, A bill for an act relating to transportation; authorizing the expenditure of county turnback account funds and state transportation bond funds for bridges ten feet or more in length following replacement; amending Minnesota Statutes 1982, section 174.50, subdivision 7; and Minnesota Statutes 1983 Supplement, section 161.082, 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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knuth	Otis	Solberg
Anderson, G.	Evans	Kostohryz	Pauly	Sparby
Anderson, R.	Findlay	Krueger	Peterson	Stadum
Battaglia	Fjoslien	Kvam	Piepho	Staten
Beard	Forsythe	Larsen	Piper	Sviggum
Begich	Frerichs	Levi	Price	Swanson
Bennett	Graba	Long	Quinn	Thiede
Bergstrom	Greenfield	Ludeman	Quist	Tomlinson
Bishop	Gruenes	Mann	Redalen	Tunheim
Blatz	Gustafson	Marsh	Reif	Uphus
Boo	Gutknecht	McDonald	Rice	Valan
Brandl	Halberg	McEachern	Riveness	Valento
Brinkman	Haukoos	McKasy	Rodosovich	Vanasek
Burger	Heap	Metzen	Rodriguez, C.	Vellenga
Carlson, D.	Heinitz	Minne	Rodriguez, F.	Voss
Carlson, L.	Himle	Munger	Rose	Waltman
Clark, J.	Hoberg	Murphy	St. Onge	Welch
Clark, K.	Hoffman	Nelson, D.	Sarna	Welker
Clawson	Hokr	Nelson, K.	Schafer	Welle
Cohen	Jacobs	Neuenschwander	Scheid	Wenzel
Coleman	Jennings	Norton	Schreiber	Wigley
Dempsey	Jensen	O'Connor	Seaberg	Wynia
DenOuden	Johnson	Ogren	Segal	Zaffke
Dimler	Kahn	Olsen	Shea	Speaker Sieben
Eken	Kalis	Omann	Sherman	
Elioff	Kelly	Onnen	Simoneau	
Ellingson	Knickerbocker	Osthoff	Skoglund	

The bill was passed and its title agreed to.

Hoberg was excused for the remainder of today's session.

## CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Rice requested immediate consideration of H. F. No. 1393.

H. F. No. 1393 was reported to the House.

Olsen, Segal, Pauly, Heap, Rose, Forsythe, McKasy, Bergstrom, Knickerbocker, Thiede and Sviggum moved to amend H. F. No. 1393, the second engrossment, as follows:

Pages 7, 8 and 9, delete section 7

Page 86, after line 25, insert:

“Sec. 24. [REPEALER.]

*Minnesota Statutes 1983 Supplement, section 124.2138, is repealed.”*

Renumber the remaining sections

Amend the title accordingly

A roll call was requested and properly seconded.

## CALL OF THE HOUSE

On the motion of Eken and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Anderson, B.	Erickson	Krueger	Peterson	Sparby
Anderson, G.	Evans	Kvam	Piepho	Stadum
Anderson, R.	Findlay	Larsen	Piper	Sviggum
Battaglia	Fjoslien	Levi	Price	Swanson
Beard	Forsythe	Long	Quist	Thiede
Begich	Graba	Ludeman	Redalen	Tomlinson
Bennett	Gruenes	Mann	Reif	Tunheim
Blatz	Gustafson	McDonald	Rice	Uphus
Boo	Halberg	McEachern	Rodosovich	Valan
Brandl	Haukoos	McKasy	Rodriguez, C.	Valento
Brinkman	Heap	Minne	Rodriguez, F.	Vanasek
Burger	Heinitz	Munger	Rose	Vellenga
Carlson, L.	Himle	Murphy	St. Onge	Voss
Clark, J.	Hoffman	Nelson, D.	Sarna	Waltman
Clawson	Hokr	Nelson, K.	Schafer	Welch
Cohen	Jacobs	Neuenschwander	Schoenfeld	Welker
Coleman	Jennings	O'Connor	Schreiber	Welle
Dempsey	Jensen	Ogren	Seaberg	Wenzel
DenOuden	Johnson	Olsen	Segal	Wigley
Dimler	Kalis	Omann	Shaver	Zaffke
Eken	Kelly	Onnen	Sherman	Speaker Sieben
Elioff	Knickerbocker	Otis	Skoglund	
Ellingson	Kostohryz	Pauly	Solberg	

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 amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion prevailed.

There were 52 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Bennett	Forsythe	Knickerbocker	Piepho	Swanson
Bergstrom	Gruenes	Kvam	Quist	Thiede
Bishop	Gutknecht	Levi	Redalen	Uphus
Blatz	Halberg	Ludeman	Reif	Valento
Boo	Haukoos	Marsh	Rose	Waltman
Burger	Heap	McDonald	Schreiber	Welker
Dempsey	Heinitz	McKasy	Seaberg	Wigley
Dimler	Himle	Olsen	Segal	Zaffke
Erickson	Hokr	Omann	Shaver	
Findlay	Jennings	Onnen	Stadum	
Fjoslien	Johnson	Pauly	Sviggum	

Those who voted in the negative were:

Anderson, B.	Elioff	Long	Price	Sparby
Anderson, G.	Ellingson	Mann	Quinn	Staten
Anderson, R.	Evans	McEachern	Rice	Tomlinson
Battaglia	Graba	Minne	Rodosovich	Tunheim
Beard	Gustafson	Murphy	Rodriguez, C.	Vanasek
Begich	Hoffman	Nelson, K.	Rodriguez, F.	Vellenga
Brandl	Jacobs	Neuenschwander	St. Onge	Voss
Brinkman	Jensen	Norton	Sarna	Welch
Carlson, L.	Kalis	O'Connor	Schoenfeld	Welle
Clark, J.	Kelly	Ogren	Shea	Wenzel
Clark, K.	Knuth	Osthoff	Sherman	Speaker Sieben
Clawson	Kostohryz	Otis	Simoneau	
Cohen	Krueger	Peterson	Skoglund	
Eken	Larsen	Piper	Solberg	

The motion did not prevail and the amendment was not adopted.

Olsen, Segal, Pauly, Heap, McKasy, Forsythe, Rose, Bergstrom, Knickerbocker and Sviggum moved to amend H. F. No. 1393, the second engrossment, as follows:

Pages 7 to 9, delete section 7

Renumber the sections as necessary

Amend the title accordingly

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 30 yeas and 92 nays as follows:

Those who voted in the affirmative were:

Bergstrom	Gutknecht	Johnson	Onnen	Segal
Bishop	Halberg	Knickerbocker	Pauly	Sviggum
Boo	Haukoos	Ludeman	Piepho	Swanson
Dimler	Heap	McDonald	Reif	Waltman
Fjoslien	Heinitz	McKasy	Rosc	Welker
Forsythe	Hokr	Olsen	Seaberg	Zaffke

Those who voted in the negative were:

Anderson, B.	Elioff	Kvam	Piper	Sparby
Anderson, G.	Ellingson	Larsen	Price	Stadum
Anderson, R.	Erickson	Levi	Quinn	Staten
Battaglia	Evans	Long	Quist	Thiede
Beard	Graba	Mann	Redalen	Tomlinson
Begich	Greenfield	Marsh	Riveness	Tunheim
Bennett	Gruenes	McEachern	Rodosovich	Uphus
Blatz	Gustafson	Metzen	Rodriguez, C.	Valan
Brandl	Himle	Minne	Rodriguez, F.	Vanasek
Brinkman	Hoffman	Murphy	St. Onge	Vellenga
Burger	Jacobs	Nelson, K.	Sarna	Voss
Carlson, L.	Jennings	Neuenschwander	Schafer	Welch
Clark, J.	Jensen	Norton	Schoenfeld	Welle
Clark, K.	Kahn	O'Connor	Schreiber	Wenzel
Clawson	Kalis	Ogren	Shea	Wigley
Cohen	Kelly	Omann	Sherman	Speaker Sieben
Dempsey	Knuth	Osthoff	Simoneau	
DenOuden	Kostohryz	Otis	Skoglund	
Eken	Krueger	Peterson	Solberg	

The motion did not prevail and the amendment was not adopted.

The Speaker called Wynia to the Chair.

Welker, Quist, Hokr, Olsen, Findlay, Sviggum, Dimler, Ludeman, DenOuden, Schafer and Waltman moved to amend H. F. No. 1393, the second engrossment, as follows:

Page 6, line 6, delete ".023" and insert ".020"

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 57 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Findlay	Johnson	Quist	Sviggum
Bennett	Fjoslien	Knickerbocker	Redalen	Thiede
Bishop	Forsythe	Kvam	Reif	Uphus
Blatz	Frerichs	Levi	Rodriguez, C.	Valan
Boo	Gutknecht	Ludeman	Rose	Valento
Burger	Halberg	McDonald	Schafer	Waltman
Carlson, D.	Haukoos	McKasy	Schreiber	Welker
Dempsey	Heap	Olsen	Seaberg	Wigley
DenOuden	Heinitz	Omann	Shaver	Zaffke
Dimler	Himle	Onnen	Shea	
Erickson	Hokr	Pauly	Sherman	
Evans	Jennings	Piepho	Stadum	

Those who voted in the negative were:

Anderson, B.	Ellingson	Larsen	Peterson	Solberg
Battaglia	Graba	Mann	Piper	Sparby
Beard	Greenfield	Marsh	Price	Staten
Begich	Gruenes	McEachern	Quinn	Swanson
Bergstrom	Gustafson	Metzen	Riveness	Tomlinson
Brandl	Hoffman	Minne	Rodosovich	Tunheim
Brinkman	Jacobs	Murphy	Rodriguez, F.	Vanasek
Carlson, L.	Jensen	Nelson, K.	St. Onge	Vellenga
Clark, J.	Kahn	Neuenschwander	Sarna	Voss
Clark, K.	Kalis	Norton	Scheid	Welch
Cohen	Kelly	O'Connor	Schoenfeld	Welle
Coleman	Knuth	Ogren	Segal	Wenzel
Eken	Kostohryz	Osthoff	Simoneau	Wynia
Elioff	Krueger	Otis	Skoglund	Speaker Sieben

The motion did not prevail and the amendment was not adopted.

Olsen, Hokr, Boo, Jennings, Findlay, Sviggum, Johnson, Valan, Quist, Schafer, Knickerbocker and Waltman moved to amend H. F. No. 1393, the second engrossment, as follows:

Page 6, line 16, delete ".023" and insert ".022"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion did not prevail.

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 61 yeas and 70 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Fjoslien	Knickerbocker	Quist	Thiede
Bennett	Forsythe	Kvam	Redalen	Uphus
Bishop	Frerichs	Levi	Reif	Valan
Blatz	Gruenes	Long	Rodriguez, C.	Valento
Boo	Gutknecht	Ludeman	Rose	Waltman
Burger	Halberg	Marsh	Schafer	Welker
Carlson, D.	Haukoos	McDonald	Schoenfeld	Wenzel
Dempsey	Heap	McKasy	Schreiber	Wigley
DenOuden	Heinitz	Olsen	Seaberg	Zaffke
Dimler	Hirle	Omann	Shaver	
Erickson	Hokr	Onnen	Sherman	
Evans	Jennings	Pauly	Stadum	
Findlay	Johnson	Piepho	Sviggum	

Those who voted in the negative were:

Anderson, B.	Eken	Krueger	Otis	Skoglund
Anderson, G.	Elioff	Larsen	Peteron	Soiberg
Battaglia	Ellingson	Mann	Piper	Sparby
Beard	Graba	McEachern	Price	Staten
Begich	Greenfield	Metzen	Quinn	Swanson
Bergstrom	Gustafson	Minne	Riveness	Tomlinson
Brandl	Hoffman	Murphy	Rodosovich	Tunheim
Brinkman	Jacobs	Nelson, D.	Rodriguez, F.	Vanasek
Carlson, L.	Jensen	Nelson, K.	St. Onge	Vellenga
Clark, J.	Kahn	Neuenschwander	Sarna	Voss
Clark, K.	Kalis	Norton	Scheid	Welch
Clawson	Kelly	O'Connor	Segal	Welle
Cohen	Knuth	Ogren	Shea	Wynia
Coleman	Kostohryz	Osthoff	Simoneau	Speaker Sieben

The motion did not prevail and the amendment was not adopted.

The Speaker resumed the Chair.

Thiede moved to amend H. F. No. 1393, the second engrossment, as follows:

Page 9, line 22, delete "60" and insert "55"

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 54 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Bennett	Graba	Krueger	Piepho	Swiggum
Bishop	Gruenes	Kvam	Quist	Thiede
Boo	Gutknecht	Levi	Redalen	Uphus
Burger	Haukoos	Ludeman	Reif	Valan
Carlson, D.	Heap	Marsh	Rose	Valento
Dempsey	Heinitz	McDonald	Schafer	Waltman
Dimler	Himle	McKasy	Seaberg	Welker
Evans	Hokr	Olsen	Shaver	Wenzel
Findlay	Jennings	Omann	Sherman	Wigley
Fjoslien	Johnson	Onnen	Solberg	Zaffke
Forsythe	Knickerbocker	Pauly	Stadum	

Those who voted in the negative were:

Anderson, B.	Eken	Larsen	Peterson	Simoneau
Anderson, R.	Elioff	Long	Piper	Sparby
Battaglia	Ellingson	Mann	Price	Staten
Beard	Greenfield	McEachern	Quinn	Swanson
Begich	Gustafson	Metzen	Rice	Tomlinson
Bergstrom	Hoffman	Minne	Riveness	Tunheim
Brandl	Jacobs	Murphy	Rodosovich	Vanasek
Brinkman	Jensen	Nelson, K.	Rodriguez, C.	Vellenga
Carlson, L.	Kahn	Norton	Rodriguez, F.	Voss
Clark, J.	Kalis	O'Connor	St. Onge	Welch
Clawson	Kelly	Ogren	Sarna	Welle
Cohen	Knuth	Osthoff	Schoenfeld	Wynia
Coleman	Kostohryz	Oris	Segal	Speaker Sieben

The motion did not prevail and the amendment was not adopted.

Erickson, Schoenfeld, Larsen, Bergstrom, Redalen and Jennings moved to amend H. F. No. 1393, the second engrossment, as follows:

Page 38, after line 9, insert:

*"Subd. 3. There is appropriated from the general fund to the department of education for fiscal year 1984, the sum of \$50,000 and for fiscal year 1985 the sum of \$131,000 for the operation of non-AVTI adult vocational programs. This appropriation shall be added to the sums appropriated for fiscal years 1984 and 1985 for this purpose in Laws 1983, chapter 314, article V, section 18, subdivision 7."*

The question was taken on the amendment and the roll was called.

Nelson, K., moved that those not voting be excused from voting. The motion prevailed.

There were 61 yeas and 63 nays as follows:

## Those who voted in the affirmative were:

Bennett	Frerichs	Kvam	Redalen	Uphus
Bergstrom	Graba	Larsen	Reif	Valan
Boo	Gruenes	Ludeman	Rose	Valento
Burger	Gustafson	Mann	Schafer	Waltman
Carlson, D.	Haukoos	Marsh	Schoenfeld	Welker
Dempsey	Heap	McDonald	Schreiber	Welle
DenOuden	Heinitz	McKasy	Seaberg	Wenzel
Dimler	Himle	Olsen	Shaver	Wigley
Erickson	Hokr	Ormann	Sherman	Zafike
Evans	Jennings	Onnen	Stadum	
Findlay	Johnson	Pauly	Sviggum	
Fjoslien	Knickerbocker	Piepho	Swanson	
Forsythe	Krueger	Quist	Thiede	

## Those who voted in the negative were:

Anderson, B.	Cohen	Long	Peterson	Solberg
Anderson, G.	Coleman	McEachern	Piper	Sparby
Anderson, R.	Eken	Metzen	Price	Staten
Battaglia	Elioff	Minne	Quinn	Tomlinson
Beard	Ellingson	Murphy	Rice	Tunheim
Begich	Greenfield	Nelson, D.	Riveness	Vanasek
Blatz	Jacobs	Nelson, K.	Rodosovich	Vellenga
Brandl	Jensen	Neuenschwander	Rodriguez, C.	Voss
Brinkman	Kahn	Norton	Rodriguez, F.	Welch
Carlson, L.	Kelly	O'Connor	St. Onge	Wynia
Clark, J.	Knuth	Ogren	Sarna	Speaker Sieben
Clark, K.	Kostohryz	Osthoff	Simoneau	
Clawson	Levi	Otis	Skoglund	

The motion did not prevail and the amendment was not adopted.

H. F. No. 1393, A bill for an act relating to education; providing for aids to education, tax levies, and the distribution of tax revenues; modifying the foundation aid formula; granting certain powers and duties to school boards, school districts, the state board of education, the commissioner of education, the department of education, the state board of vocational-technical education, the state director of vocational-technical education, the higher education coordinating board, and others; providing for an equalized summer school aid and levy; increasing the community education aid and levy; modifying the vocational instructional aid payment formula; establishing a schools of excellence program; requiring an arts education study; expanding in-service and instructional effectiveness training programs; improving the planning, evaluation, and reporting process; establishing assessment programs; establishing a research and development grant program; appropriating money; amending Minnesota Statutes 1982, sections 121.908, by adding a subdivision; 121.935, subdivisions 2 and 6; 121.936, subdivision 1; 122.532, by adding a subdivision; 123.36, subdivision 10; 123.74; 123.741, as amended; 123.742, as amended; 124.19, by adding a subdivision; 124.20; 124.201, subdivision 1; 124.214, subdivision 1; 124.565, subdivision 7; 136A.02, subdivision 6; 275.125, by adding sub-

divisions; 465.721; 471.61, subdivisions 1 and 2a; Minnesota Statutes 1983 Supplement, sections 120.17, subdivision 3b; 121.-601; 121.608; 121.609; 121.904, subdivision 4a; 123.36, subdivision 13; 123.743; 124.155, subdivision 1; 124.195, subdivisions 1, 9, and 10; 124.201, subdivisions 2, 4, and 5; 124.2122; 124.2126, subdivision 3; 124.2138; 124.271, subdivision 2b; 124.5615, subdivision 5; 124.5629; 124A.06, subdivision 1; 124A.12, subdivision 1; 124A.14, subdivision 1; 124A.16, subdivision 4; 125.032, subdivision 2; 129B.32, subdivision 3; 129B.36, by adding a subdivision; 136C.04, by adding a subdivision; 275.125, subdivisions 2e, 2k, 8, 8a, 9b, 11a, and 11c; 298.28, subdivision 1; 466.06; 475.-61, subdivision 3; Laws 1976, chapter 20, section 5, subdivision 1; Laws 1983, chapter 314, article 6, section 34, subdivision 12; article 7, section 45; article 8, section 23; and article 9, section 14, subdivision 3; proposing new law coded in Minnesota Statutes, chapters 121, 123, 124, and 136C; repealing Minnesota Statutes 1982, sections 124.201, as amended; 124.32, subdivisions 1a, 1e, and 2a; 125.60, subdivision 2a; and 275.125, subdivision 2g; and Minnesota Statutes 1983 Supplement, sections 124.32, subdivision 5a; and 275.125, subdivisions 2i and 2j.

The bill was read for the third 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 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Pauly	Solberg
Anderson, G.	Evans	Krueger	Peterson	Sparby
Anderson, R.	Findlay	Kvam	Piepho	Stadum
Battaglia	Fjoslien	Larsen	Piper	Staten
Beard	Forsythe	Levi	Price	Sviegung
Begich	Frerichs	Long	Quinn	Swanson
Bennett	Graba	Ludeman	Quist	Thiede
Bergstrom	Greenfield	Mann	Redalen	Tomlinson
Bishop	Gruenes	Marsh	Reif	Tunheim
Blatz	Gustafson	McDonald	Rice	Uphus
Boo	Gutknecht	McEachern	Riveness	Valan
Brandl	Halberg	McKasy	Rodosovich	Valento
Brinkman	Haukoos	Metzen	Rodriguez, C.	Vanasek
Burger	Heap	Minne	Rodriguez, F.	Vellenga
Carlson, D.	Heinitz	Munger	Rose	Voss
Carlson, L.	Himle	Murphy	St. Onge	Waltman
Clark, J.	Hoffman	Nelson, D.	Sarna	Welch
Clark, K.	Hokr	Nelson, K.	Schafer	Welle
Clawson	Jacobs	Neuenschwander	Scheid	Wenzel
Cohen	Jennings	Norton	Schoenfeld	Wigley
Coleman	Jensen	O'Connor	Schreiber	Wynia
Dempsey	Johnson	Ogren	Seaberg	Zaffke
DenOuden	Kahn	Olsen	Shaver	Speaker Sieben
Dimler	Kalis	Omann	Shea	
Eken	Kelly	Onnen	Sherman	
Elioff	Knickerbocker	Osthoff	Simoneau	
Ellingson	Knuth	Otis	Skoglund	

Those who voted in the negative were:

Welker

The bill was passed and its title agreed to.

## CALL OF THE HOUSE LIFTED

Jennings moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

## CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Tomlinson requested immediate consideration of H. F. Nos. 1814 and 1815.

H. F. No. 1814, A bill for an act relating to taxation; clarifying certain property tax credit provisions; providing that amounts to pay certain certificates are a special levy; providing for deduction of taconite aids from levy limit base; simplifying iron ore valuation hearing requirements; altering the process for determining flexible homestead brackets; allowing for the rounding of amounts of special assessments on tax statements; changing the date for the issuance of warrants for delinquent personal property taxes; providing for additional administrative procedures for cigarette tax collection; requiring annual payment of occupation taxes; changing payment method for production taxes; adopting certain procedures relating to liquor tax collections; authorizing county treasurers to charge for dishonored checks; amending Minnesota Statutes 1982, sections 273.1104, subdivision 2; 277.03; 298.09, subdivision 2; 298.27; 298.282, subdivision 3; 340.601; Minnesota Statutes 1983 Supplement, sections 124.2137, subdivision 1; 273.13, subdivision 7; 273.1311; 273.1315; 275.50, subdivision 5; 275.51, subdivision 3i; and 276.04; proposing new law coded in Minnesota Statutes, chapters 297; 340; and 385; repealing Minnesota Statutes 1982, sections 298.045; 298.046; 298.047; and 298.048.

The bill was read for the third 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:

Anderson, B.	Carlson, L.	Frerichs	Jensen	Mann
Anderson, G.	Clark, J.	Graba	Johnson	Marsh
Anderson, R.	Clawson	Greenfield	Kahn	McKasy
Battaglia	Cohen	Gruenes	Kalis	Metzen
Beard	Coleman	Gustafson	Kelly	Minne
Begich	Dempsey	Gutknecht	Knickerbocker	Munger
Bennett	DenOuden	Haukoos	Knuth	Murphy
Bishop	Eken	Heap	Kostohryz	Nelson, D.
Blatz	Elioff	Heinitz	Krueger	Neuenschwander
Boo	Ellingson	Himle	Kvam	Norton
Brandl	Erickson	Hoffman	Larsen	O'Connor
Brinkman	Evans	Hokr	Levi	Olsen
Burger	Findlay	Jacobs	Long	Omann
Carlson, D.	Fjoslien	Jennings	Ludeman	Onnen

Osthoff	Reif	Seaberg	Sviggum	Voss
Otis	Riveness	Shaver	Swanson	Waltman
Pauly	Rodosovich	Shea	Thiede	Welch
Peterson	Rodriguez, C.	Sherman	Tomlinson	Welker
Piepho	Rodriguez, F.	Simoneau	Tunheim	Welle
Piper	Rose	Skoglund	Uphus	Wenzel
Price	Schafer	Solberg	Valan	Wigley
Quinn	Scheid	Sparby	Valento	Wynia
Quist	Schoenfeld	Stadum	Vanasek	Zaffke
Redalen	Schreiber	Staten	Vellenga	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1815, A bill for an act relating to taxation; property; eliminating obsolete language; making technical changes; and repealing obsolete provisions; amending Minnesota Statutes 1982, sections 272.02, subdivisions 2, 3, and 5; 272.20; 272.21; 272.32; 272.37; 272.64; 273.05, subdivision 1; 273.061, subdivision 2; 273.08; 273.1105, subdivision 5; 273.111, subdivisions 8 and 11; 273.115, subdivision 5; 273.116, subdivisions 1 and 5; 273.13, subdivisions 7a, 15a, and 19; 273.135, subdivision 3; 273.1391, subdivision 3; 273.22; 275.02; 275.49; 275.51, subdivisions 1 and 4; 360.037, subdivision 2; 373.31, subdivision 2; 375.167, subdivision 1; 473F.02, subdivision 3; 473H.10, subdivision 3; 475.53, subdivisions 1, 3, and 5; Minnesota Statutes 1983 Supplement, sections 272.02, subdivision 1; 273.115, subdivision 1; 273.13, subdivisions 6, 7, 7d, and 14a; 273.138, subdivision 6; 507.235, subdivision 2; repealing Minnesota Statutes 1982, sections 270.90; 272.34; 272.35; 272.36; 272.61; 272.62; 272.63; 272.66; 273.04; 273.111, subdivision 8a; 273.13, subdivision 14; 273.27; 273.56; 275.09; 275.091; 275.161; 275.23; 275.44; 275.45; 275.46; 275.47; 368.86; and 382.19.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clawson	Greenfield	Knickerbocker	Munger
Anderson, G.	Cohen	Gruenes	Knuth	Murphy
Anderson, R.	Coleman	Gustafson	Kostohryz	Nelson, D.
Battaglia	Dempsey	Gutknecht	Krueger	Neuenschwander
Beard	DenOuden	Haukoos	Kvam	Norton
Begich	Dimler	Heap	Larsen	O'Connor
Bennett	Eken	Heinitz	Levi	Olsen
Bishop	Elioff	Himle	Long	Omann
Blatz	Ellingson	Hoffman	Ludeman	Onnen
Boo	Erickson	Hokr	Mann	Osthoff
Brandl	Evans	Jacobs	Marsh	Otis
Brinkman	Findlay	Jensen	McDonald	Pauly
Burger	Fjoslien	Johnson	McEachern	Peterson
Carlson, D.	Forsythe	Kahn	McKasy	Piepho
Carlson, L.	Frerichs	Kaljs	Metzen	Piper
Clark, J.	Graba	Kelly	Minne	Price

Quinn	Sarna	Simoneau	Tunheim	Welker
Quist	Schafer	Skoglund	Uphus	Welle
Redalen	Scheid	Solberg	Valan	Wenzel
Reif	Schoenfeld	Sparby	Valento	Wigley
Riveness	Schreiber	Stadum	Vanasek	Wynia
Rodosovich	Seaberg	Staten	Vellenga	Zaffke
Rodriguez, C.	Shaver	Sviggum	Voss	Speaker Sieben
Rodriguez, F.	Shea	Swanson	Waltman	
Rose	Sierman	Thiede	Welch	

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 1420, A bill for an act relating to public employment; regulating grievances of disciplinary actions; amending Minnesota Statutes 1983 Supplement, section 179.70, 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 118 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kostohryz	Osthoff	Simoneau
Anderson, R.	Findlay	Krueger	Otis	Skoglund
Battaglia	Fjoslien	Kvam	Pauly	Solberg
Beard	Forsythe	Larsen	Peterson	Sparby
Begich	Frerichs	Levi	Piepho	Stadum
Bennett	Graba	Long	Piper	Sviggum
Bishop	Greenfield	Ludeman	Price	Swanson
Blatz	Gruenes	Mann	Quinn	Thiede
Boo	Gustafson	Marsh	Quist	Uphus
Brandl	Gutknecht	McDonald	Redalen	Valan
Brinkman	Haukoos	McEachern	Reif	Valento
Burger	Heinitz	McKasy	Riveness	Vanasek
Carlson, D.	Himle	Metzen	Rodosovich	Vellenga
Carlson, L.	Hoffman	Minne	Rodriguez, C.	Voss
Clark, J.	Hokr	Munger	Rodriguez, F.	Waltman
Clawson	Jacobs	Murphy	Rose	Welch
Cohen	Jennings	Nelson, D.	Sarna	Welle
Coleman	Jensen	Nelson, K.	Schafer	Wenzel
Dempsey	Johnson	Neuenschwander	Scheid	Wigley
Dimler	Kahn	Norton	Schoenfeld	Wynia
Eken	Kalis	O'Connor	Scaberg	Zaffke
Elioff	Kelly	Olsen	Shaver	Speaker Sieben
Ellingson	Knickerbocker	Omann	Shea	
Erickson	Knuth	Onnen	Sherman	

Those who voted in the negative were:

Welker

The bill was passed and its title agreed to.



H. F. No. 1425, A bill for an act relating to agriculture; providing for alternative methods for establishing the value of milk purchased from producers; amending Minnesota Statutes 1982, section 32.25, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Pauly	Stadum
Anderson, G.	Evans	Krueger	Peterson	Staten
Anderson, R.	Findlay	Kvam	Piepho	Sviggum
Battaglia	Fjoslien	Larsen	Piper	Swanson
Beard	Forsythe	Levi	Price	Thiede
Begich	Frerichs	Long	Quinn	Tomlinson
Bennett	Graba	Ludeman	Quist	Tunheim
Bergstrom	Greenfield	Mann	Redalen	Upphus
Bishop	Gruenes	Marsh	Reif	Valan
Blatz	Gustafson	McDonald	Rice	Valento
Boo	Gutknecht	McEachern	Riveness	Vanasek
Brandl	Halberg	McKasy	Rodosovich	Vellenga
Brinkman	Haukoos	Metzen	Rodriguez, C.	Voss
Burger	Heinitz	Minne	Rodriguez, F.	Waltman
Carlson, D.	Himle	Munger	Rose	Welch
Carlson, L.	Hoffman	Murphy	Sarna	Welker
Clark, J.	Hokr	Nelson, D.	Schafer	Welle
Clawson	Jacobs	Nelson, K.	Scheid	Wenzel
Cohen	Jennings	Neuenschwander	Schoenfeld	Wigley
Coleman	Jensen	Norton	Schreiber	Wynia
Dempsey	Johnson	O'Connor	Seaberg	Zaffke
DenOuden	Kahn	Olsen	Shaver	Speaker Sieben
Dimler	Kalis	Omann	Sherman	
Eken	Kelly	Onnen	Simoneau	
Elioff	Knickerbocker	Osthoff	Skoglund	
Ellingson	Knuth	Otis	Sparby	

The bill was passed and its title agreed to.

H. F. No. 1663, A bill for an act relating to agriculture; making certain changes in apiary law; amending Minnesota Statutes 1983 Supplement, sections 19.55; 19.56; 19.57; 19.58, subdivisions 1 and 2; 19.64, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1983 Supplement, section 19.58, subdivision 6.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Peterson	Stadum
Anderson, G.	Evans	Kvam	Piepho	Staten
Anderson, R.	Findlay	Larsen	Piper	Sviggum
Battaglia	Fjoslien	Levi	Price	Swanson
Beard	Forsythe	Long	Quinn	Thiede
Begich	Frerichs	Ludeman	Quist	Tomlinson
Bennett	Graba	Mann	Redalen	Tunheim
Bergstrom	Greenfield	Marsh	Reif	Uphus
Bishop	Gruenes	McDonald	Rice	Valan
Blatz	Gustafson	McEachern	Riveness	Valento
Boo	Gutknecht	McKasy	Rodosovich	Vanasek
Brandl	Halberg	Metzen	Rodriguez, F.	Vellenga
Brinkman	Haukoos	Minne	Rose	Voss
Burger	Heinitz	Munger	Sarna	Waltman
Carlson, D.	Himle	Murphy	Schafer	Welch
Carlson, L.	Hoffman	Nelson, D.	Scheid	Welker
Clark, J.	Hokr	Nelson, K.	Schoenfeld	Welle
Clark, K.	Jacobs	Neuenschwander	Schreiber	Wenzel
Clawson	Jennings	Norton	Seaberg	Wigley
Coleman	Jensen	O'Connor	Shaver	Zynia
Dempsey	Johnson	Olsen	Shea	Zaffke
DenOuden	Kalis	Omman	Sherman	Speaker Sieben
Dimler	Kelly	Onnen	Simoneau	
Eken	Knickerbocker	Osthoff	Skoglund	
Elioff	Knuth	Otis	Solberg	
Ellingson	Kostohryz	Pauly	Sparby	

The bill was passed and its title agreed to.

H. F. No. 1700, A bill for an act relating to insurance; increasing replacement service loss benefits in no-fault auto insurance; amending Minnesota Statutes 1982, section 65B.44, subdivision 5.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Clark, J.	Frerichs	Kahn	Metzen
Anderson, G.	Clark, K.	Graba	Kalis	Minne
Anderson, R.	Clawson	Greenfield	Kelly	Munger
Battaglia	Cohen	Gruenes	Knickerbocker	Murphy
Beard	Coleman	Gustafson	Knuth	Nelson, D.
Begich	Dempsey	Gutknecht	Kostohryz	Nelson, K.
Bennett	DenOuden	Halberg	Krueger	Neuenschwander
Bergstrom	Dimler	Haukoos	Kvam	Norton
Bishop	Eken	Heinitz	Larsen	O'Connor
Blatz	Elioff	Himle	Levi	Ogren
Boo	Ellingson	Hoffman	Long	Olsen
Brandl	Erickson	Hokr	Ludeman	Omman
Brinkman	Evans	Jacobs	Mann	Onnen
Burger	Findlay	Jennings	Marsh	Osthoff
Carlson, D.	Fjoslien	Jensen	McDonald	Otis
Carlson, L.	Forsythe	Johnson	McKasy	Pauly

Peterson	Rodosovich	Segal	Sviggum	Voss
Piepho	Rodriguez, C.	Shaver	Swanson	Waltman
Piper	Rodriguez, F.	Shea	Thiede	Welch
Price	Rose	Sherman	Tomlinson	Welker
Quinn	St. Onge	Simoneau	Tunheim	Welle
Quist	Schafer	Skoglund	Uphus	Wenzel
Redalen	Scheid	Solberg	Valan	Wigley
Reif	Schoenfeld	Sparby	Valento	Wynia
Rice	Schreiber	Stadum	Vanasek	Zaffke
Riveness	Seaberg	Staten	Vellenga	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1703, A bill for an act relating to local government; authorizing joint exercise of police powers; amending Minnesota Statutes 1982, section 471.59, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Krueger	Peterson	Solberg
Anderson, G.	Evans	Kvam	Piepho	Sparby
Anderson, R.	Findlay	Larsen	Piper	Stadum
Battaglia	Fjoslien	Levi	Price	Staten
Beard	Forsythe	Long	Quinn	Sviggum
Begich	Frerichs	Ludeman	Quist	Swanson
Bennett	Graba	Mann	Redalen	Thiede
Bergstrom	Greenfield	Marsh	Reif	Tomlinson
Bishop	Gruenes	McDonald	Rice	Tunheim
Blatz	Gustafson	McEachern	Riveness	Uphus
Boo	Gutknecht	McKasy	Rodosovich	Valan
Brandl	Halberg	Metzen	Rodriguez, C.	Valento
Brinkman	Haukoos	Minne	Rodriguez, F.	Vanasek
Burger	Heinitz	Munger	Rose	Vellenga
Carlson, D.	Himle	Murphy	St. Onge	Voss
Carlson, L.	Hoffman	Nelson, D.	Sarna	Waltman
Clark, J.	Hokr	Nelson, K.	Schafer	Welch
Clark, K.	Jacobs	Neuenschwander	Scheid	Welker
Clawson	Jennings	Norton	Schoenfeld	Welle
Cohen	Jensen	O'Connor	Schreiber	Wenzel
Coleman	Johnson	Ogren	Seaberg	Wigley
Dempsey	Kahn	Olsen	Segal	Wynia
DenOuden	Kalis	Omman	Shaver	Zaffke
Dimler	Kelly	Onnen	Shea	Speaker Sieben
Eken	Knickerbocker	Osthoff	Sherman	
Elioff	Knuth	Otis	Simoneau	
Ellingson	Kostohryz	Pauly	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1722, A bill for an act relating to crimes; changing the limitation period for certain criminal sexual conduct offenses; amending Minnesota Statutes 1982, section 628.26.

The bill was read for the third 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:

Anderson, B.	Erickson	Krueger	Peterson	Solberg
Anderson, G.	Evans	Kvam	Piepho	Sparby
Anderson, R.	Findlay	Larsen	Piper	Stadum
Battaglia	Fjoslien	Levi	Price	Staten
Beard	Forsythe	Long	Quinn	Sviggum
Begich	Frerichs	Ludeman	Quist	Swanson
Bennett	Graba	Mann	Redalen	Thiede
Bergstrom	Greenfield	Marsh	Reif	Tomlinson
Bishop	Gruenes	McDonald	Rice	Tunheim
Blatz	Gustafson	McEachern	Riveness	Uphus
Boo	Gutknecht	McKasy	Rodosovich	Valan
Brandl	Halberg	Metzen	Rodriguez, C.	Valento
Brinkman	Haukoos	Minne	Rodriguez, F.	Vanasek
Burger	Heinitz	Munger	Rose	Vellenga
Carlson, D.	Himle	Murphy	St. Onge	Voss
Carlson, L.	Hoffman	Nelson, D.	Sarna	Waltman
Clark, J.	Hokr	Nelson, K.	Schafer	Welch
Clark, K.	Jacobs	Neuenschwander	Scheid	Welker
Clawson	Jennings	Norton	Schoenfeld	Welle
Cohen	Jensen	O'Connor	Schreiber	Wenzel
Coleman	Johnson	Ogren	Seaberg	Wigley
Dempsey	Kahn	Olsen	Segal	Wynia
DenOuden	Kalis	Omann	Shaver	Zaffke
Dimler	Kelly	Onnen	Shea	Speaker Sieben
Eken	Knickerbocker	Osthoff	Sherman	
Elioff	Knuth	Otis	Simoneau	
Ellingson	Kostohryz	Pauly	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1781, A bill for an act relating to taxes; clarifying the consequences of certain conveyances of tax-forfeited land; amending Minnesota Statutes 1982, section 282.01, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Boo	Coleman	Fjoslien	Heinitz
Anderson, G.	Brandl	Dempsey	Forsythe	Himle
Anderson, R.	Brinkman	DenOuden	Frerichs	Hoffman
Battaglia	Burger	Dimler	Graba	Hokr
Beard	Carlson, D.	Eken	Greenfield	Jacobs
Begich	Carlson, L.	Elioff	Gruenes	Jennings
Bennett	Clark, J.	Ellingson	Gustafson	Jensen
Bergstrom	Clark, K.	Erickson	Gutknecht	Johnson
Bishop	Clawson	Evans	Halberg	Kahn
Blatz	Cohen	Findlay	Haukoos	Kalis

Kelly	Munger	Quinn	Segal	Valento
Knickerbocker	Murphy	Quist	Shaver	Vanasek
Knuth	Nelson, D.	Redalen	Shea	Vellenga
Kostohryz	Nelson, K.	Reif	Sherman	Voss
Krueger	Neuenschwander	Rice	Simoneau	Waltman
Kvam	Norton	Riveness	Skoglund	Welch
Larsen	O'Connor	Rodosovich	Solberg	Welker
Levi	Ogren	Rodriguez, C.	Sparby	Weile
Long	Olsen	Rodriguez, F.	Stadum	Wenzel
Ludeman	Omman	Rose	Staten	Wigley
Mann	Onnen	St. Onge	Sviggum	Wynia
Marsh	Otis	Sarna	Swanson	Zaifke
McDonald	Pauly	Schafer	Thiede	Speaker Sieben
McEachern	Peterson	Scheid	Tomlinson	
McKasy	Piepho	Schoenfeld	Tunheim	
Metzen	Piper	Schreiber	Uphus	
Minne	Price	Seaberg	Valan	

The bill was passed and its title agreed to.

H. F. No. 1824 was reported to the House and given its third reading.

Osthoff moved that H. F. No. 1824 be returned to the top of General Orders.

A roll call was requested and properly seconded.

The question was taken on the Osthoff motion and the roll was called. There were 16 yeas and 101 nays as follows:

Those who voted in the affirmative were:

Jacobs	Kostohryz	Osthoff	Rodriguez, F.	Swanson
Kahn	McEachern	Quinn	Sarna	Vanasek
Kelly	Norton	Rice	Scheid	Voss
Knuth				

Those who voted in the negative were:

Anderson, B.	Cohen	Haukoos	Minne	Rodosovich
Anderson, G.	Dempsey	Heap	Munger	Rodriguez, C.
Anderson, R.	DenOuden	Heinitz	Murphy	Rose
Battaglia	Dimler	Himle	Nelson, D.	St. Onge
Beard	Eken	Hoffman	Neuenschwander	Schafer
Begich	Elioff	Hokr	Ogren	Schoenfeld
Bennett	Ellingson	Jennings	Olsen	Schreiber
Bergstrom	Erickson	Jensen	Omman	Seaberg
Bishop	Evans	Johnson	Onnen	Segal
Blatz	Findlay	Krueger	Otis	Shaver
Boo	Fjoslien	Kvam	Pauly	Shea
Brinkman	Forsythe	Larsen	Peterson	Simoneau
Burger	Frerichs	Levi	Piepho	Skoglund
Carlson, D.	Graba	Ludeman	Piper	Solberg
Carlson, L.	Gruenes	Marsh	Price	Sparby
Clark, J.	Gustafson	McDonald	Quist	Sviggum
Clark, K.	Gutknecht	McKasy	Redalen	Thiede
Clawson	Halberg	Metzen	Reif	Tunheim

Uphus  
Valento  
Waltman

Welch  
Welker

Welle  
Wenzel

Wigley  
Wynia

Zaffke  
Speaker Sieben

The motion did not prevail.

H. F. No. 1824, A bill for an act relating to transportation; authorizing vending machines in rest areas, tourist information centers and weigh stations on certain highways; providing for installation of drain tile along or across highways; delineating debt collection authority of the department of transportation; providing for the erection of certain signs by counties; permitting restaurants to be included on specific service signs; providing for the clustering and spacing of specific service signs; directing the commissioner of transportation to establish a sign franchise program for the placement of advertising logos on the right-of-way of certain highways; authorizing road authorities to assist each other; redefining "directional signs" for purposes of outdoor advertising control and directing the commissioner of transportation to develop uniform standards for them; reducing a fee; repealing a restriction on the authority of the commissioner of transportation to expend money to acquire or condemn advertising devices; amending Minnesota Statutes 1982, sections 160.08, subdivision 7; 160.20, subdivision 3, and by adding a subdivision; 160.28, by adding a subdivision; 160.283, subdivision 3; 160.285; 160.292; 160.293, subdivisions 1 and 3; 160.295, subdivisions 2 and 3; 161.20, subdivision 4; 161.39, subdivisions 1, 5, and 6; 169.01, by adding a subdivision; 169.14, subdivision 2, and by adding a subdivision; 173.02, subdivision 6; and 173.-13, subdivision 7; Minnesota Statutes 1983 Supplement, sections 173.08, subdivision 1; 173.13, subdivision 4; and Laws 1983, chapter 293, section 2, subdivision 4; proposing new law coded in Minnesota Statutes, chapters 160 and 173.

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 111 yeas and 12 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Carlson, L.	Graba	Knickerbocker	Ogren
Anderson, G.	Clark, J.	Greenfield	Krueger	Olsen
Anderson, R.	Clawson	Gruenes	Kvam	Omann
Battaglia	Dempsey	Gustafson	Larsen	Onnen
Beard	DenOuden	Gutknecht	Levi	Otis
Begich	Dimler	Halberg	Long	Pauly
Bennett	Eken	Haukoos	Ludeman	Peterson
Bergstrom	Elioff	Heap	Marsh	Piepho
Bishop	Ellingson	Heinitz	McDonald	Piper
Blatz	Erickson	Himle	McKasy	Price
Boo	Evans	Hoffman	Metzen	Quist
Brandl	Findlay	Hokr	Minne	Redalen
Brinkman	Fjoslien	Jennings	Murphy	Reif
Burger	Forsythe	Jensen	Nelson, D.	Rice
Carlson, D.	Frerichs	Johnson	Neuenschwander	Rodosovich

Rodriguez, C.	Seaberg	Solberg	Tunheim	Welch
Rodriguez, F.	Segal	Sparby	Uphus	Welker
Rose	Shaver	Stadum	Valan	Welle
St. Onge	Shea	Sviggum	Valento	Wenzel
Schafer	Sherman	Swanson	Vanasek	Wigley
Schoenfeld	Simoneau	Thiede	Vellenga	Wynia
Schreiber	Skoglund	Tomlinson	Waltman	Zaffke
				Speaker Sieben

Those who voted in the negative were:

Jacobs	Kostohryz	Norton	Quinn	Staten
Kahn	McEachern	Osthoff	Riveness	Voss
Kelly	Nelson, K.			

The bill was passed and its title agreed to.

H. F. No. 1939, A bill for an act relating to commerce; removing preference for Minnesota made materials in state purchasing; clarifying definition of public contract for resident preference; amending Minnesota Statutes 1982, section 16.365; Minnesota Statutes 1983 Supplement, section 16.0721; repealing Minnesota Statutes 1982, section 16.073; Minnesota Statutes 1983 Supplement, section 16.072; and Laws 1983, chapter 336, section 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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Knickerbocker	Omamm	Sherman
Anderson, G.	Evans	Knuth	Onnen	Simoneau
Anderson, R.	Findlay	Kostohryz	Osthoff	Skoglund
Battaglia	Fjoslien	Krueger	Otis	Solberg
Beard	Forsythe	Kvam	Pauly	Sparby
Begich	Frerichs	Larsen	Peterson	Staten
Bennett	Graba	Levi	Piepho	Sviggum
Bergstrom	Greenfield	Long	Piper	Swanson
Bishop	Gruenes	Ludeman	Price	Thiede
Blatz	Gustafson	Mann	Quinn	Tomlinson
Boo	Gutknecht	Marsh	Quist	Tunheim
Brandl	Halberg	McDonald	Redalen	Uphus
Brinkman	Haukoos	McEachern	Reif	Valan
Burger	Heap	McKasy	Riveness	Valento
Carlson, D.	Heinitz	Metzen	Rodosovich	Voss
Carlson, L.	Himle	Minne	Rodriguez, C.	Waltman
Clark, J.	Hoffman	Munger	Rodriguez, F.	Welch
Clawson	Hokr	Murphy	Rose	Welker
Cohen	Jacobs	Nelson, D.	St. Onge	Welle
Coleman	Jennings	Nelson, K.	Sarna	Wenzel
Dempsey	Jensen	Neuenschwander	Schafer	Wigley
DenOuden	Johnson	Norton	Schreiber	Wynia
Dimler	Kahn	O'Connor	Seaberg	Zaffke
Elioff	Kalis	Ogren	Segal	
Ellingson	Kelly	Olsen	Shaver	

The bill was passed and its title agreed to.

S. F. No. 1139, A bill for an act relating to local government; requiring notice of and hearings on increases in certain license fees; proposing new law coded in Minnesota Statutes, chapter 471.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kostohryz	Pauly	Skoglund
Anderson, G.	Erickson	Krueger	Peterson	Solberg
Anderson, R.	Evans	Kvam	Piepho	Sparby
Battaglia	Findlay	Larsen	Piper	Staten
Beard	Fjoslien	Levi	Price	Sviggum
Begich	Forsythe	Long	Quinn	Swanson
Bennett	Frerichs	Ludeman	Quist	Thiede
Bergstrom	Graba	Mann	Redalen	Tomlinson
Bishop	Greenfield	Marsh	Reif	Tunheim
Blatz	Gruenes	McDonald	Riveness	Uphus
Boo	Gustafson	McEachern	Rodosovich	Valan
Brandl	Cutknecht	McKasy	Rodriguez, C.	Valento
Brinkman	Heap	Metzen	Rodriguez, F.	Voss
Burger	Heinitz	Minne	Rose	Waltman
Carlson, D.	Himle	Munger	St. Onge	Welch
Carlson, L.	Hoffman	Murphy	Sarna	Welker
Clark, J.	Hokr	Nelson, D.	Schafer	Wenzel
Clark, K.	Jacobs	Nelson, K.	Schoenfeld	Wigley
Clawson	Jensen	Norton	Schreiber	Wynia
Cohen	Johnson	O'Connor	Seaberg	Zaffke
Coleman	Kahn	Ogren	Segal	Speaker Sieben
Dempsey	Kalis	Olsen	Shaver	
DenOuden	Kelly	Omann	Shea	
Dimler	Knickerbocker	Osthoff	Sherman	
Elioff	Knuth	Otis	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 1273, A bill for an act relating to retirement; salaried firefighters relief associations; providing vesting upon layoff in certain instances; 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Beard	Bishop	Brinkman	Clark, J.
Anderson, G.	Begich	Blatz	Burger	Clark, K.
Anderson, R.	Bennett	Boo	Carlson, D.	Clawson
Battaglia	Bergstrom	Brandl	Carlson, L.	Cohen



Coleman	Hokr	Minne	Reif	Sviggum
Dempsey	Jacobs	Munger	Rice	Swanson
DenOuden	Jensen	Murphy	Riveness	Thiede
Dimler	Johnson	Nelson, D.	Rodosovich	Tomlinson
Elioff	Kahn	Nelson, K.	Rodriguez, C.	Tunheim
Ellingson	Kalis	Neuenschwander	Rodriguez, F.	Uphus
Erickson	Kelly	Norton	Rose	Valan
Evans	Knickerbocker	O'Connor	St. Onge	Valento
Findlay	Knuth	Ogren	Sarna	Vanasek
Fjoslien	Kostohryz	Olsen	Schafer	Vellenga
Forsythe	Krueger	Omann	Schoenfeld	Voss
Frerichs	Kvam	Onnen	Schreiber	Waltman
Graba	Larsen	Osthoff	Seaberg	Welch
Greenfield	Levi	Otis	Segal	Welker
Gruenes	Long	Pauly	Shaver	Welle
Gustafson	Ludeman	Peterson	Shea	Wenzel
Gutknecht	Mann	Piepho	Sherman	Wigley
Haukoos	Marsh	Piper	Simoneau	Wynia
Heap	McDonald	Price	Skoglund	Zaffke
Heinitz	McEachern	Quinn	Solberg	Speaker Sieben
Himle	McKasy	Quist	Sparby	
Hoffman	Metzen	Redalen	Staten	

The bill was passed and its title agreed to.

H. F. No. 1436, A bill for an act relating to education; deleting the prohibition against rules requiring secondary vocational programs; clarifying some duties of the state boards of education, and vocational education; amending Minnesota Statutes 1982, section 124.573, 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 114 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Dempsey	Johnson	Nelson, K.	Rodosovich
Anderson, R.	Dimler	Kahn	Neuenschwander	Rodriguez, C.
Battaglia	Elioff	Kalis	Norton	Rodriguez, F.
Beard	Ellingson	Kelly	O'Connor	Rose
Begich	Erickson	Knickerbocker	Ogren	St. Onge
Bennett	Evans	Knuth	Olsen	Sarna
Bergstrom	Fjoslien	Kostohryz	Omann	Scheid
Bishop	Forsythe	Krueger	Onnen	Schoenfeld
Blatz	Graba	Kvam	Osthoff	Schreiber
Boo	Greenfield	Larsen	Otis	Seaberg
Brandl	Gustafson	Levi	Pauly	Segal
Brinkman	Gutknecht	Long	Peterson	Shaver
Burger	Haukoos	Mann	Piepho	Shea
Carlson, D.	Heap	McEachern	Piper	Sherman
Carlson, L.	Heinitz	McKasy	Price	Simoneau
Clark, J.	Himle	Metzen	Quist	Skoglund
Clark, K.	Hoffman	Minne	Redalen	Solberg
Clawson	Hokr	Munger	Reif	Sparby
Cohen	Jacobs	Murphy	Rice	Staten
Coleman	Jensen	Nelson, D.	Riveness	Swanson

Tomlinson	Valento	Voss	Welle	Wynia
Uphus	Vanasek	Waltman	Wenzel	Speaker Sieben
Valan	Vellenga	Welch	Wigley	

Those who voted in the negative were:

DenOuden	Gruenes	McDonald	Thiede	Welker
Findlay	Ludeman	Schafer	Tunheim	Zaffke
Frerichs	Marsh	Sviggum		

The bill was passed and its title agreed to.

H. F. No. 1445, A bill for an act relating to crimes; defining aggravated criminal damage to property; amending Minnesota Statutes 1982, section 609.595, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Pauly	Solberg
Anderson, G.	Evans	Krueger	Peterson	Sparby
Anderson, R.	Findlay	Kvam	Piepho	Staten
Battaglia	Fjoslien	Larsen	Piper	Sviggum
Beard	Forsythe	Levi	Price	Swanson
Begich	Frerichs	Long	Quinn	Thiede
Bennett	Graba	Ludeman	Quist	Tomlinson
Bergstrom	Greenfield	Mann	Redalen	Tunheim
Bishop	Gruenes	Marsh	Reif	Uphus
Blatz	Gustafson	McDonald	Rice	Valan
Boo	Gutknecht	McEachern	Riveness	Valento
Brandl	Halberg	McKasy	Rodosovich	Vanasek
Brinkman	Haukoos	Metzen	Rodriguez, C.	Vellenga
Burger	Heap	Minne	Rodriguez, F.	Voss
Carlson, D.	Heinitz	Munger	Rose	Waltman
Carlson, L.	Himle	Murphy	St. Onge	Welch
Clark, J.	Hoffman	Nelson, D.	Sarna	Welker
Clark, K.	Hokr	Nelson, K.	Schafer	Welle
Clawson	Jacobs	Neuenschwander	Schoenfeld	Wenzel
Cohen	Jennings	Norton	Schreiber	Wigley
Coleman	Jensen	O'Connor	Seaberg	Wynia
Dempsey	Johnson	Ogren	Segal	Zaffke
DenOuden	Kahn	Olsen	Shaver	Speaker Sieben
Dimler	Kalis	Omann	Shea	
Eken	Kelly	Onnen	Sherman	
Elioff	Knickerbocker	Osthoff	Simoneau	
Ellingson	Knuth	Otis	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 1446, A bill for an act relating to commerce; consumer protection; requiring the repair, refund, or replacement of

new motorcycles under certain circumstances; amending Minnesota Statutes 1983 Supplement, section 325F.665, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 120 yeas and 8 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Knickerbocker	Omann	Shea
Anderson, G.	Ellingson	Knuth	Onnen	Sherman
Anderson, R.	Erickson	Kostohryz	Osthoff	Simoneau
Battaglia	Evans	Krueger	Otis	Skoglund
Beard	Findlay	Kvam	Pauly	Solberg
Begich	Fjoslien	Larsen	Piepho	Sparby
Bennett	Forsythe	Levi	Piper	Staten
Bergstrom	Graba	Long	Price	Swanson
Bishop	Greenfield	Mann	Quinn	Tomlinson
Blatz	Gruenes	Marsh	Quist	Tunheim
Boo	Gustafson	McDonald	Redalen	Uphus
Brandl	Gutknecht	McEachern	Rice	Valan
Brinkman	Halberg	McKasy	Riveness	Valento
Burger	Haukoos	Metzen	Rodosovich	Vanasek
Carlson, D.	Heap	Minne	Rodriguez, C.	Vellenga
Carlson, L.	Heinitz	Munger	Rodriguez, F.	Voss
Clark, J.	Himle	Murphy	Rose	Waltman
Clark, K.	Hoffman	Nelson, D.	St. Onge	Welch
Clawson	Jacobs	Nelson, K.	Sarna	Welle
Cohen	Jensen	Neuenschwander	Schoenfeld	Wenzel
Coleman	Johnson	Norton	Schreiber	Wigley
Dempsey	Kahn	O'Connor	Seaberg	Wynia
Dimler	Kalis	Ogren	Segal	Zaffke
Eken	Kelly	Olsen	Shaver	Speaker Sieben

Those who voted in the negative were:

DenOuden	Jennings	Schafer	Thiede	Welker
Ferichs	Ludeman	Svigum		

The bill was passed and its title agreed to.

H. F. No. 1466, A bill for an act relating to courts; providing procedures for collection of conciliation court judgments; requiring conciliation court clerks to explain procedures of conciliation court to litigants and to assist them in filling out forms; amending Minnesota Statutes 1982, sections 488A.13, subdivision 2; 488A.16, subdivision 8; 487.30, by adding subdivisions; 488A.30, subdivision 2; and 488A.33, 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:

Anderson, B.	Erickson	Knuth	Osthoff	Sherman
Anderson, G.	Evans	Kostohryz	Otis	Simoneau
Anderson, R.	Findlay	Krueger	Pauly	Skoglund
Battaglia	Fjoslien	Kvam	Peterson	Solberg
Beard	Forsythe	Larsen	Piepho	Sparby
Begich	Frerichs	Levi	Piper	Staten
Bennett	Graba	Long	Price	Sviggum
Bergstrom	Greenfield	Ludeman	Quinn	Swanson
Bishop	Gruenes	Mann	Quist	Thiede
Blatz	Gustafson	Marsh	Redalen	Tomlinson
Boo	Gutknecht	McDonald	Reif	Tunheim
Brandl	Halberg	McEachern	Rice	Uphus
Brinkman	Haukoos	McKasy	Riveness	Valan
Burger	Heap	Metzen	Rodosovich	Valento
Carlson, D.	Heinitz	Minne	Rodriguez, C.	Vanasek
Carlson, L.	Himle	Munger	Rodriguez, F.	Vellenga
Clark, J.	Hoffman	Murphy	Rose	Voss
Clark, K.	Hokr	Nelson, D.	St. Onge	Waltman
Clawson	Jacobs	Nelson, K.	Sarna	Welch
Cohen	Jennings	Neuenschwander	Schafer	Welker
Coleman	Jensen	Norton	Schoenfeld	Welle
Dempsey	Johnson	O'Connor	Schreiber	Wenzel
DenOuden	Kahn	Ogren	Seaberg	Wigley
Dimler	Kalis	Olsen	Segal	Wynia
Elioff	Kelly	Omann	Shaver	Zaffke
Ellingson	Knickerbocker	Onnen	Shea	Speaker Sieben

The bill was passed and its title agreed to.

H. F. No. 1507, A bill for an act relating to taxation; deed tax; exempting certain partitions; amending Minnesota Statutes 1982, section 287.22.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, B.	Clark, K.	Gustafson	Knuth	Nelson, D.
Anderson, G.	Clawson	Gutknecht	Kostohryz	Nelson, K.
Anderson, R.	Cohen	Halberg	Krueger	Neuenschwander
Battaglia	Coleman	Haukoos	Kvam	Norton
Beard	Dempsey	Heap	Larsen	O'Connor
Begich	DenOuden	Heinitz	Levi	Ogren
Bennett	Dimler	Himle	Long	Olsen
Bergstrom	Elioff	Hoffman	Ludeman	Omann
Bishop	Ellingson	Hokr	Mann	Omann
Blatz	Erickson	Jacobs	Marsh	Osthoff
Boo	Evans	Jennings	McDonald	Otis
Brandl	Findlay	Jensen	McEachern	Pauly
Brinkman	Fjoslien	Johnson	McKasy	Peterson
Burger	Forsythe	Kahn	Metzen	Piper
Carlson, D.	Frerichs	Kalis	Minne	Price
Carlson, L.	Greenfield	Kelly	Munger	Quinn
Clark, J.	Gruenes	Knickerbocker	Murphy	Quist

Redalen	Schafer	Simoneau	Tunheim	Welker
Reif	Scheid	Skoglund	Uphus	Welle
Rice	Schoenfeld	Solberg	Valan	Wenzel
Rodosovich	Schreiber	Sparby	Valento	Wigley
Rodriguez, C.	Seaberg	Staten	Vanasek	Wynia
Rodriguez, F.	Segal	Sviggum	Vellenga	Zaffke
Rose	Shaver	Swanson	Voss	Speaker Sieben
St. Onge	Shea	Thiede	Waltman	
Sarna	Sherman	Tomlinson	Welch	

The bill was passed and its title agreed to.

H. F. No. 1533, A bill for an act relating to health; authorizing the board of dentistry to adopt rules relating to special training and education of dentists; amending Minnesota Statutes 1982, section 150A.04, 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 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kostohryz	Pauly	Simoneau
Anderson, G.	Findlay	Krueger	Peterson	Skoglund
Anderson, R.	Fjoslien	Kvam	Piepho	Solberg
Battaglia	Forsythe	Larsen	Piper	Sparby
Beard	Frerichs	Levi	Price	Staten
Begich	Graba	Long	Quinn	Sviggum
Bennett	Greenfield	Ludeman	Quist	Swanson
Bishop	Gruenes	Mann	Redalen	Thiede
Blatz	Gustafson	Marsh	Reif	Tomlinson
Boo	Gutknecht	McDonald	Rice	Tunheim
Brandl	Halberg	McEachern	Riveness	Uphus
Brinkman	Haukoos	McKasy	Rodosovich	Valan
Burger	Heap	Metzen	Rodriguez, C.	Valento
Carlson, D.	Heinitz	Minne	Rodriguez, F.	Vellenga
Carlson, L.	Himle	Munger	Rose	Voss
Clark, J.	Hoffman	Murphy	St. Onge	Waltman
Clark, K.	Hokr	Nelson, D.	Sarna	Welch
Clawson	Jacobs	Nelson, K.	Schafer	Welle
Cohen	Jennings	Neuenschwander	Scheid	Wenzel
Coleman	Jensen	Norton	Schoenfeld	Wigley
Dempsey	Johnson	Ogren	Schreiber	Wynia
DenOuden	Kahn	Olsen	Seaberg	Zaffke
Dimler	Kalis	Omam	Segal	Speaker Sieben
Elioff	Kelly	Onnen	Shaver	
Ellingson	Knickerbocker	Osthoff	Shea	
Erickson	Knuth	Otis	Sherman	

Those who voted in the negative were:

Welker

The bill was passed and its title agreed to.

H. F. No. 1550, A bill for an act relating to retirement; public employees retirement association; vesting period for certain public hospital employees; amending Minnesota Statutes 1982, section 353.34, by adding a subdivision.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Krueger	Pauly	Simoneau
Anderson, G.	Fjoslien	Kvam	Peterson	Skoglund
Anderson, R.	Forsythe	Larsen	Piepho	Solberg
Battaglia	Frerichs	Levi	Piper	Sparby
Beard	Graba	Long	Price	Stadum
Begich	Greenfield	Ludeman	Quinn	Staten
Bennett	Gruenes	Mann	Quist	Swiggum
Bishop	Gustafson	Marsh	Redalen	Swanson
Blatz	Gutknecht	McDonald	Reif	Thiede
Boo	Halberg	McEachern	Rice	Tomlinson
Brandl	Haukoos	McKasy	Riveness	Tunheim
Brinkman	Heap	Metzen	Rodosovich	Uphus
Burger	Heinitz	Minne	Rodriguez, C.	Valan
Carlson, L.	Himle	Munger	Rodriguez, F.	Valento
Clark, J.	Hoffman	Murphy	Rose	Vellenga
Clark, K.	Hokr	Nelson, D.	St. Onge	Voss
Clawson	Jacobs	Nelson, K.	Sarna	Waltman
Cohen	Jennings	Neuenschwander	Schafer	Welch
Coleman	Jensen	Norton	Scheid	Welker
Dempsey	Johnson	O'Connor	Schoentfeld	Welle
DenOuden	Kahn	Ogren	Schreiber	Wenzel
Dimler	Kalis	Olsen	Seaberg	Wigley
Elioff	Kelly	Omann	Segal	Wynia
Ellingson	Knickerbocker	Onnen	Shaver	Zaffke
Erickson	Knuth	Osthoff	Shea	Speaker Sieben
Evans	Kostohryz	Otis	Sherman	

The bill was passed and its title agreed to.

H. F. No. 1553, A bill for an act relating to metropolitan government; prescribing the authority of watershed management organizations and local government units; providing procedures for boundary changes and termination of watershed districts; amending Minnesota Statutes 1982, sections 112.37, subdivision 7; 112.42, subdivision 3; 473.876, subdivision 9; 473.877; 473.878, subdivisions 2, 3, 4, and by adding a subdivision; and 473.882, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 473.

The bill was read for the third 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:

Anderson, B.	Evans	Krueger	Piper	Sparby
Anderson, G.	Findlay	Kvam	Price	Stadium
Anderson, R.	Fjoslien	Larsen	Quinn	Staten
Battaglia	Forsythe	Levi	Quist	Swiggum
Beard	Frerichs	Long	Redalen	Swanson
Begich	Graba	Ludeman	Reif	Thiede
Bennett	Greenfield	Mann	Rice	Tomlinson
Bishop	Gruenes	Marsh	Riveness	Tunheim
Blatz	Gustafson	McDonald	Rodosovich	Uphus
Boo	Gutknecht	McEachern	Rodriguez, C.	Valan
Brandl	Halberg	Metzen	Rodriguez, F.	Valento
Brinkman	Haukoos	Minne	Rose	Vellenga
Burger	Heap	Munger	St. Onge	Voss
Carlson, L.	Heinitz	Murphy	Sarna	Waltman
Clark, J.	Himle	Nelson, K.	Schafer	Welch
Clark, K.	Hoffman	Norton	Scheid	Welker
Clawson	Hokr	O'Connor	Schoenfeld	Welle
Cohen	Jacobs	Ogren	Schreiber	Wenzel
Coleman	Jennings	Olsen	Seaberg	Wigley
Dempsey	Jensen	Omman	Segal	Wynia
DenOuden	Johnson	Onnen	Shaver	Zaffke
Dimler	Kahn	Osthoff	Shea	Speaker Sieben
Eken	Kalis	Otis	Sherman	
Elioff	Kelly	Pauly	Simoneau	
Ellingson	Knickerbocker	Peterson	Skoglund	
Erickson	Kostohryz	Piepho	Solberg	

The bill was passed and its title agreed to.

### GENERAL ORDERS

Vanasek moved that the bills on General Orders for today be continued one day. The motion prevailed.

### MOTIONS AND RESOLUTIONS

Frerichs moved that S. F. No. 2145 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Local and Urban Affairs. The motion prevailed.

Olsen moved that the name of Rose be stricken and the name of Staten be added as an author on H. F. No. 1837. The motion prevailed.

Long moved that H. F. No. 1505 be returned to its author. The motion prevailed.

Welle introduced:

House Resolution No. 28, A house resolution congratulating George Nelson for his participation in the latest Challenger space shuttle mission.

The resolution was referred to the Committee on Rules and Legislative Administration.

ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 1:00 p.m., Tuesday, April 10, 1984. 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, April 10, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives





## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SEVENTY-FOURTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, APRIL 10, 1984

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 Marvin Red Elk, All Saints Episcopal Mission, Minneapolis, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Erickson	Knuth	Otis	Simoneau
Anderson, G.	Evans	Kostohryz	Pauly	Skoglund
Battaglia	Findlay	Krueger	Peterson	Solberg
Beard	Fjoslien	Kvam	Piepho	Sparby
Begich	Forsythe	Larsen	Piper	Stadum
Bennett	Frerichs	Levi	Price	Staten
Bergstrom	Graba	Long	Quinn	Sviggum
Bishop	Greenfield	Ludeman	Quist	Swanson
Blatz	Gruenes	Marsh	Redalen	Thiede
Boo	Gustafson	McDonald	Reif	Tomlinson
Brandl	Gutknecht	McEachern	Rice	Tunheim
Brinkman	Halberg	McKasy	Riveness	Uphus
Burger	Haukoos	Metzen	Rodriguez, C.	Valan
Carlson, D.	Heap	Minne	Rodriguez, F.	Valento
Carlson, L.	Heinitz	Munger	Rose	Vanasek
Clark, J.	Himle	Murphy	St. Onge	Vellenga
Clark, K.	Hoffman	Nelson, D.	Sarna	Voss
Clawson	Hokr	Nelson, K.	Schafer	Waltman
Cohen	Jacobs	Neuenschwander	Scheid	Welch
Coleman	Jennings	Norton	Schoenfeld	Welker
Dempsey	Jensen	O'Connor	Schreiber	Welle
DenOuden	Johnson	Ogren	Seaberg	Wenzel
Dimler	Kahn	Olsen	Segal	Wigley
Eken	Kalis	Omann	Shaver	Wynia
Elioff	Kelly	Onnen	Shea	Zaffke
Ellingson	Knickerbocker	Osthoff	Sherman	Speaker Sieben

A quorum was present.

Hoberg, Mann and Rodosovich were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Clawson moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 2314, 2078, 2247, 756, 1213, 1449, 1473, 1770, 1790, 1809, 1845, 1847, 1851, 2020, 2036, 2055, 2081, 2164, 2173, 2177, 2299, 2301, 2302, 1772, 1831, 2130 and 1666 and S. F. Nos. 1656, 1843, 2016, 2083, 2148, 2145, 97, 1750, 416, 1114 and 1396 have been placed in the members' files.

S. F. No. 2148 and H. F. No. 2255, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Bennett moved that S. F. No. 2148 be substituted for H. F. No. 2255 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1750 and H. F. No. 1632, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Segal moved that the rules be so far suspended that S. F. No. 1750 be substituted for H. F. No. 1632 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 2016 and H. F. No. 2023, 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. 2016 be substituted for H. F. No. 2023 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Brinkman from the Committee on Financial Institutions and Insurance to which was referred:

H. F. No. 702, A bill for an act relating to insurance; holding companies; modifying the commissioner's jurisdiction with respect to the interests of shareholders; making miscellaneous style and form changes; amending Minnesota Statutes 1982, section 60D.02, subdivisions 1, 2, and 4; repealing Minnesota Statutes 1982, section 60D.02, subdivision 5.

Reported the same back with the following amendments:

Page 1, lines 13 and 23, reinstate the stricken "make" and delete "commence"

Page 2, line 4, reinstate the stricken "hereinafter" and delete "in subdivision"

Page 2, line 5, delete "4"

Page 3, line 10, after "sell" insert ", transfer or exchange"

Page 4, line 6, delete "the proposed form of"

Page 4, line 9, reinstate the stricken "(if distributed)" and delete "the proposed form"

Page 5, lines 10 to 25, 35, and 36, reinstate the stricken language and delete the new language

Page 5, line 33, after "sell" insert ", transfer or exchange"

Page 6, line 4, reinstate the stricken "in" and delete "contrary to"

Page 6, line 26, delete "section" and insert "sections 60D.01, subdivision 8; and"

Page 6, line 26, delete "is" and insert "are"

Amend the title as follows:

Page 1, line 7, delete "section" and insert "sections 60D.01, subdivision 8; and"

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. 1601, A bill for an act relating to commerce; providing a lien for agricultural production inputs; establishing priority and foreclosure requirements; amending Minnesota Statutes 1982, section 386.42; and Minnesota Statutes 1983 Supplement, section 336.9-312; proposing new law coded in Minnesota Statutes, chapter 514.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 386.42, is amended to read:

**386.42 [ABSTRACT OF MORTGAGES AND LIENS ON GRAIN CROPS FOR ELEVATOR COMPANIES.]**

Any elevator company or grain buyer doing business in this state may annually make written application to the county recorder for an abstract of all designated mortgages and liens upon grains grown during the year (WITHIN THE) *filed with the county recorder*. The application shall state the name and the post office address of the company and be accompanied by a fee. The fee shall be determined by resolution of the county board upon the recommendation of the county recorder based upon the estimated cost of providing the service.

**Sec. 2. [514.950] [DEFINITIONS.]**

*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 2 to 7.*

*Subd. 2. [AGRICULTURAL CHEMICAL.] "Agricultural chemical" means fertilizers or agricultural chemicals that are applied to crops or to land that is used for raising crops, including fertilizer material, plant amendment, plant food, and soil amendment as defined in section 17.713, and pesticide and plant regulator as defined in section 18A.21.*

*Subd. 3. [AGRICULTURAL PRODUCTION INPUT.] "Agricultural production input" means crop production inputs and livestock production inputs.*

*Subd. 4. [CROP PRODUCTION INPUT.] "Crop production input" means agricultural chemicals, seeds, petroleum products, the custom application of agricultural chemicals and seeds, and labor used in preparing the land for planting, cultivating, growing, producing, harvesting, drying, and storing crops or crop products.*

*Subd. 5. [FEED.] "Feed" means commercial feeds, feed ingredients, mineral feeds, drugs, animal health products, or customer-formula feeds that are used for feeding livestock, including commercial feed as defined in section 25.33.*

*Subd. 6. [LENDER.] "Lender" means a person in the business of lending money identified in a lien-notification statement.*

*Subd. 7. [LETTER OF COMMITMENT.] "Letter of commitment" means a binding, irrevocable, and unconditional agreement by a lender to honor drafts or other demands for payment upon the supplier presenting invoices signed by the purchaser or other proof of delivery.*

*Subd. 8. [LIVESTOCK PRODUCTION INPUT.] "Livestock production input" means feed and labor used in raising livestock.*

*Subd. 9. [PERSON.] "Person" means an individual or an organization as defined in section 336.1-201, paragraph (30).*

*Subd. 10. [PETROLEUM PRODUCT.] "Petroleum product" means motor fuels and special fuels that are used in the production of crops and livestock, including petroleum products as defined in section 296.01, alcohol fuels, propane, lubes, and oils.*

*Subd. 11. [PROCEEDS.] "Proceeds" means proceeds as defined in section 336.9-306 except that if rights or duties are contingent upon express language in a financing statement, the requisite language may exist in a lien-notification statement under section 3, and includes farm products, inventory, warehouse receipts, and documents of title.*

*Subd. 12. [SEED.] "Seed" means agricultural seeds that are used to produce crops, including agricultural seed as defined in section 21.47.*

*Subd. 13. [SUPPLIER.] "Supplier" means a person who furnishes agricultural production inputs.*

**Sec. 3. [514.952] [NOTIFICATION; LIEN-NOTIFICATION STATEMENT; EFFECT OF NOTIFICATION.]**

*Subdivision 1. [NOTIFICATION TO LENDER.] A supplier may notify a lender of an agricultural production input lien by providing a lien-notification statement to the lender in an envelope marked "IMPORTANT-LEGAL NOTICE." Delivery of the notice must be made by certified mail or another verifiable method.*

*Subd. 2. [LIEN-NOTIFICATION STATEMENT.] The lien-notification statement must be in a form approved by the secretary of state and disclose the following:*

- (1) the name and business address of any lender;*
- (2) the name and address of the supplier claiming the lien;*
- (3) a description and the date or anticipated date or dates of the transaction and the retail cost or anticipated costs of the agricultural production input;*
- (4) the name, residential address, and signature of the person to whom the agricultural production input was furnished;*

(5) *the name and residential address of the owner and a description of the real estate where the crops to which the lien attaches are growing or are to be grown; or for a lien attaching to livestock, the name and residential address of the owner of the livestock, the location where the livestock will be raised, and a description of the livestock; and*

(6) *a statement that products and proceeds of the crops or livestock are covered by the agricultural input lien.*

**Subd. 3. [RESPONSE OF LENDER TO NOTIFICATION.]** *Within ten calendar days after receiving a lien-notification statement, the lender must respond to the supplier with either:*

(1) *a letter of commitment for part or all of the amount in the lien-notification statement; or*

(2) *a written refusal to issue a letter of commitment.*

**Subd. 4. [EFFECT OF RESPONSE.]** (a) *If a lender responds with a letter of commitment for part or all of the amount in the lien-notification statement, the supplier may not obtain a priority lien under subdivision 5;*

(b) *If a lender responds with a refusal to provide a letter of credit, the rights of the lender and the supplier are not affected.*

**Subd. 5. [EFFECT OF NO RESPONSE.]** *If a lender does not respond to the supplier within ten calendar days after receiving the lien-notification statement, an agricultural production input lien corresponding to the lien-notification statement has priority over any security interest of the lender in the same crops or livestock or their proceeds for the lesser of:*

(1) *the amount stated in the lien-notification statement;*

(2) *the unpaid retail cost of the agricultural production input identified in the lien-notification statement; or*

(3) *for livestock any limitation in section 4, subdivision 2.*

**Subd. 6. [LIEN PRIORITY.]** *An agricultural production input lien does not have priority over liens that arise under chapter 395 or 514, or over perfected security interests for unpaid rent for the land where the crops were grown. Agricultural production input liens are a security interest and have priority according to chapter 336, the uniform commercial code, except as provided in subdivision 5.*

*Subdivision 1. [LIEN ON CROPS.] A supplier who furnishes crop production inputs has an agricultural input lien for the unpaid retail cost of the crop production inputs. The lien attaches to: (1) the existing crops upon the land where a furnished agricultural chemical was applied, or if crops are not planted, to the next production crop within 16 months following the last date on which the agricultural chemical was applied; (2) the crops produced from furnished seed; or (3) the crops produced, harvested, or processed using a furnished petroleum product. If the crops are grown on leased land and the lease provides for payment in crops, the lien does not attach to the lessor's portion of the crops. The lien continues in crop products and proceeds, except that the lien does not continue in grain after a cash sale under section 223.16.*

*Subd. 2. [LIEN ON LIVESTOCK.] A supplier who furnishes livestock production inputs has an agricultural production input lien for the unpaid retail cost of the livestock production input. The lien attaches to all livestock consuming the feed and continues in livestock products and proceeds. A perfected agricultural production input lien that attaches to livestock may not exceed the amount, if any, that the sales price of the livestock exceeds the greater of the fair market value of the livestock at the time the lien attaches or the acquisition price of the livestock.*

*Subd. 3. [TIME OF ATTACHMENT.] An agricultural input lien attaches when the agricultural production inputs are furnished by the supplier to the purchaser.*

**Sec. 5. [514.956] [PERFECTION OF LIEN; FILING.]**

*Subdivision 1. [PERFECTION.] To perfect an agricultural production input lien, the lien must attach and the supplier entitled to the lien must file a lien-notification statement with the appropriate filing office under section 336.9-401 by six months after the last date that the agricultural production input was furnished.*

*Subd. 2. [FAILURE TO PERFECT.] An agricultural production input lien that is not perfected has the priority of an unperfected security interest under section 336.9-312.*

*Subd. 3. [DUTIES OF FILING OFFICER.] The filing officer shall enter on the lien-notification statement the time of day and date of filing. The filing officer shall file and note the filing of a lien-notification statement under this section in the manner provided by section 336.9-403 for a financing statement.*

**Sec. 6. [514.958] [ENFORCEMENT OF LIEN.]**

*The holder of an agricultural production input lien may enforce the lien in the manner provided in sections 336.9-501 to*



*336.9-508 subject to section 550.17. For enforcement of the lien, the lienholder is the secured party and the person for whom the agricultural production input was furnished is the debtor, and each has the respective rights and duties of a secured party and a debtor under sections 336.9-501 to 336.9-508. If a right or duty under sections 336.9-501 to 336.9-508 is contingent upon the existence of express language in a security agreement or may be waived by express language in a security agreement, the requisite language does not exist.*

Sec. 7. [514.959] [ENFORCEMENT ACTIONS; LIEN EXTINGUISHED.]

*An action to enforce an agricultural production input lien may be brought in district court in a county where some part of the crop or livestock is located after the lien is perfected. A lien-notification statement may be amended, except the amount demanded, by leave of the court in the furtherance of justice. An agricultural production input lien is extinguished if an action to enforce the lien is not brought within 18 months after the date the lien-notification statement is filed.*

Sec. 8. [EFFECTIVE DATE.]

*This act is effective July 1, 1984, except that an agricultural input lien may not attach to crops planted before December 1, 1984."*

Delete the title and insert:

*"A bill for an act relating to commerce; including all liens on file in abstract by the county recorder; providing a lien for agricultural production inputs; establishing a procedure for priority and foreclosure requirements; amending Minnesota Statutes 1982, section 386.42; proposing new law coded in Minnesota Statutes, chapter 514."*

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. 1757, A bill for an act relating to state departments and agencies; allowing the commissioner of administration to transfer to local government units certain supplies, materials, and equipment; allowing the commissioner of administration to charge a price sufficient to cover costs when selling copies of laws and resolutions; allowing the commissioner of administration to lease office space and purchase supplies and equipment

without the approval of the governor; allowing the commissioner of administration to provide for the use of certain motor vehicles by the governor and lieutenant governor; relating to the use of state vehicles and compensation for use of personal vehicles; including in the definition of the term "employee" for purposes of workers' compensation a voluntary uncompensated worker accepted by the commissioner of administration; specifying the United States department of labor as the entity which designates a labor surplus area; amending Minnesota Statutes 1982, sections 16.02, subdivisions 18 and 24; 16.243, subdivision 1; 16.753, subdivision 5; and 645.445, subdivision 5; and Minnesota Statutes 1983 Supplement, sections 16.75, subdivision 7; and 176.011, subdivision 9.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 16A.065, is amended to read:

16A.065 [ADVANCE PAYMENTS AND DEPOSITS.]

Notwithstanding any other law to the contrary, the commissioner of finance may allow advance deposits or payments by any department for the procurement of software or software maintenance services for state-owned or leased electronic data processing equipment, *and may allow advance deposits by any department with the Library of Congress and federal Supervisor of Documents for items to be purchased from those federal agencies.*

Sec. 2. [16A.722] [REIMBURSEMENT FOR LOSS OR DAMAGE TO STATE PROPERTY, USE OF PROCEEDS.]

*Notwithstanding any other law to the contrary, a state department or agency that receives a reimbursement for the loss of or damage to state property may deposit the reimbursement in the current year's account. The reimbursement is reappropriated for the purpose of replacing or repairing the state property.*

COMMISSIONER OF ADMINISTRATION

Sec. 3. [16B.01] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] For purposes of chapter 16B, the following terms have the meanings given them, unless the context clearly indicates otherwise.*

*Subd. 2. [AGENCY.] "Agency" means any state officer, employee, board, commission, authority, department, or other agency of the executive branch of state government.*

*Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of administration.*

*Subd. 4. [STATE CONTRACT.] "State contract" means any written instrument containing the elements of offer, acceptance, and consideration to which a state agency is a party.*

*Subd. 5. [SUPPLIES, MATERIALS, AND EQUIPMENT.] "Supplies," "materials," and "equipment" includes articles and things used by or furnished to an agency, including printing, binding, and publication of books and records, repairs, and improvements.*

*Subd. 6. [UTILITY SERVICES.] "Utility services" includes telephone, telegraph, postal, electric light and power service, and all other services required for the maintenance, operation, and upkeep of buildings and offices.*

**Sec. 4. [16B.02] [DEPARTMENT OF ADMINISTRATION.]**

*The department of administration is under the supervision and control of the commissioner of administration, who is appointed by the governor under section 15.06.*

**Sec. 5. [16B.03] [APPOINTMENTS.]**

*The commissioner is authorized to appoint staff, including a deputy commissioner, in accordance with chapter 43A.*

**Sec. 6. [16B.04] [AUTHORITY.]**

*Subdivision 1. [RULEMAKING AUTHORITY.] Subject to chapter 14, the commissioner may adopt, amend, and rescind rules relating to any purpose, responsibility, or authorization in chapter 16B. Rules adopted must comply with any provisions in chapter 16B which specify or restrict the adoption of particular rules.*

*Subd. 2. [POWERS AND DUTIES, GENERAL.] Subject to other provisions of this chapter, the commissioner is authorized to:*

*(1) supervise, control, review, and approve all state contracts and purchasing;*

*(2) provide agencies with supplies and equipment and operate all central store or supply rooms serving more than one agency;*

*(3) approve all computer plans and contracts, and oversee the state's data processing system;*

(4) *investigate and study the management and organization of agencies, and reorganize them when necessary to ensure their effective and efficient operation;*

(5) *manage and control state property, real and personal;*

(6) *maintain and operate all state buildings including the state capitol building and grounds;*

(7) *supervise, control, review, and approve all capital improvements to state buildings and the capitol building and grounds;*

(8) *provide central duplicating, printing, and mail facilities;*

(9) *oversee publication of official documents and provide for their sale;*

(10) *manage and operate parking facilities for state employees and a central motor pool for travel on state business; and*

(11) *establish and administer a state building code.*

*Subd. 3. [DELEGATION FROM GOVERNOR.] The governor, unless otherwise provided by law, may delegate to the commissioner the administration of programs and projects of the office of the governor directed by either state or federal law, or which may be made available to the state under a grant of funds either public or private. Unless specifically prohibited by law, the governor may delegate to the commissioner general supervision of any program or activity of any agency the head of which is either appointed by the governor or by a gubernatorial-ly appointed board. The provisions of this subdivision shall not be construed as authority to transfer programs or activities, or part of them, from one department to another.*

**Sec. 7. [16B.05] [DELEGATION BY COMMISSIONER.]**

*Subdivision 1. [DELEGATION OF DUTIES BY COMMISSIONER.] The commissioner may delegate duties imposed by this chapter to the head of an agency and to any of his subordinates. Delegated duties are to be exercised in the name of the commissioner and under his supervision and control.*

*Subd. 2. [FACSIMILE SIGNATURES.] When authorized by the commissioner, facsimile signatures may be used by personnel of the department of administration in accordance with his delegated authority and his instructions, copies of which shall be filed with the commissioner of finance, state treasurer, and*

*the secretary of state. A facsimile signature, when used in accordance with his delegated authority and his instructions, is as effective as an original signature.*

## CONTRACTS AND PURCHASES

### Sec. 8. [16B.06] [CONTRACT MANAGEMENT AND REVIEW.]

*Subdivision 1. [DUTIES OF COMMISSIONER.] (a) [CONTRACT MANAGEMENT.] The commissioner shall perform all contract management and review functions for state contracts, except those functions performed by the contracting agency, the attorney general, or the commissioner of finance. All agencies shall fully cooperate with the commissioner in the management and review of state contracts. A delegation of the commissioner's duties under this section to the head of an agency must be filed with the secretary of state and may not, except with respect to delegations within the department of administration, exceed two years in duration.*

*(b) [PURCHASING.] The commissioner shall purchase, rent, or otherwise provide for the furnishing of all supplies, materials, equipment, and utility services. The commissioner may lease, rent, or sell supplies, equipment, and services to agencies. The commissioner shall purchase from the state correctional institutions, the University of Minnesota, and other state institutions all articles manufactured by them which are usable by the state. All purchase orders must be made on a form prescribed by the attorney general.*

*Subd. 2. [VALIDITY OF STATE CONTRACTS.] A state contract or lease is not valid and the state is not bound by it until it has first been executed by the head of the agency which is a party to the contract and has been approved in writing by the commissioner or a delegate, under this section, by the attorney general or a delegate as to form and execution, and by the commissioner of finance or a delegate who shall determine that the appropriation and allotment have been encumbered for the full amount of the contract liability. The head of the agency may delegate the execution of specific contracts or specific types of contracts to a deputy or assistant head within his agency if the delegation has been approved by the commissioner of administration and filed with the secretary of state. A copy of every contract or lease extending for a term longer than one year must be filed with the commissioner of finance.*

*Subd. 3. [CONTRACT ADMINISTRATION.] Upon entering into a state contract, an agency bears full responsibility for the diligent administration and monitoring of the contract. The commissioner may require an agency to report to the commis-*

sioner at any time on the status of any outstanding state contract to which the agency is a party.

*Subd. 4. [SUBJECT TO AUDIT.] A contract made by or under the supervision of the commissioner, an agency, or any county or unit of local government shall include an audit clause that provides that the books, records, documents, and accounting procedures and practices of the contractor relevant to the contract are subject to examination by the contracting agency, and either the legislative auditor or the state auditor as appropriate.*

*Subd. 5. [AUTHORITY OF ATTORNEY GENERAL.] The attorney general may sue to avoid the obligation of an agency to pay under a state contract or to recover payments made if services performed under the contract are so unsatisfactory, incomplete, or inconsistent with the price that payment would involve unjust enrichment. The contrary opinion of the contracting agency does not affect the power of the attorney general under this subdivision.*

#### Sec. 9. [16B.07] [COMPETITIVE BIDS.]

*Subdivision 1. [APPLICATION.] Except as otherwise provided by this chapter, all contracts for construction or repairs and all purchases of and all contracts for supplies, materials, purchase or rental of equipment, and utility services must be based on competitive bids, and all sales of property must be to the highest responsible bidder after advertising for bids pursuant to this section.*

*Subd. 2. [REQUIREMENT CONTRACTS.] Standard requirement price contracts for supplies or services to be purchased by the state must be established by competitive bids. The standard requirement price contracts may contain escalation clauses and may provide for a negotiated price increase or decrease based upon a demonstrable industrywide or regional increase or decrease in the vendor's costs. The term of these contracts may not exceed two years with an option on the part of the state to renew for an additional two years.*

*Subd. 3. [PUBLICATION OF NOTICE; EXPENDITURES OVER \$5,000.] If the amount of an expenditure or sale is estimated to exceed \$5,000, sealed bids must be solicited by public notice inserted at least once in a newspaper or trade journal not less than seven days before the final date of submitting bids. The commissioner shall designate the newspaper or trade journal for that publication, and may designate different newspapers or journals according to the nature of the purchase or contract. The commissioner shall also solicit sealed bids by sending notices by mail to all prospective bidders known to the commissioner, and by posting notice on a public bulletin board in the commissioner's office at least five days before the final date of submitting bids.*

*All bids must be sealed when they are received and must be opened in public at the hour stated in the notice. All original bids and all documents pertaining to the award of a contract must be retained and made a part of a permanent file or record and remain open to public inspection.*

**Subd. 4. [PURCHASES, SALES, OR RENTALS; \$5,000 OR LESS.]** *All purchases or sales the amount of which is estimated to be \$5,000 or less may be made either upon competitive bids or in the open market, in the discretion of the commissioner. So far as practicable, however, they must be based on at least three competitive bids which must be permanently recorded.*

**Subd. 5. [STANDARD SPECIFICATIONS, SECURITY.]** *Contracts and purchases must be based on the standard specifications prescribed and enforced by the commissioner under this chapter, unless otherwise expressly provided. Each bidder for a contract must furnish security approved by the commissioner to ensure the making of the contract for which he bids.*

**Sec. 10. [16B.08] [BIDS NOT REQUIRED.]**

**Subdivision 1. [UTILITY SERVICES.]** *Competitive bids are not required for utility services where no competition exists or where rates are fixed by law or ordinance.*

**Subd. 2. [SINGLE SOURCE OF SUPPLY.]** *Competitive bidding is not required for purchases clearly and legitimately limited to a single source of supply, and the purchase price may be best established by direct negotiation.*

**Subd. 3. [AUCTION IN LIEU OF BIDS.]** *The commissioner, in lieu of advertising for bids, may sell buildings and other personal property owned by the state and not needed for public purposes at public auction to the highest responsible bidder. A sale under this subdivision may not be made until publication of notice of the sale in a newspaper of general circulation in the area where the property is located and any other advertising the commissioner directs. Any of the property may be withdrawn from the sale prior to the completion of the sale unless the auction has been announced to be without reserve. If the sale is made at public auction a duly licensed auctioneer must be retained to conduct the sale. The auctioneer's fees must be paid from the proceeds from which an amount sufficient to pay them is appropriated.*

**Subd. 4. [NEGOTIATED CONTRACTS.]** *In lieu of any of the other requirements of this chapter, the commissioner may negotiate a contract for public work to be performed at a state owned institution or installation if the cost does not exceed \$5,000 and if the head of the affected state agency requests the commissioner to do so. The commissioner shall have prepared whatever plans and specifications for the public work he deems*

necessary to protect the public interest. Contractor's bonds or security pursuant to chapter 574 are not required for contracts entered into pursuant to this subdivision.

*Subd. 5. [FEDERAL GENERAL SERVICES ADMINISTRATION PRICE SCHEDULES.] Notwithstanding anything in this chapter to the contrary, the commissioner may, instead of soliciting bids, contract for purchases with suppliers who have published schedules of prices effective for sales to the general services administration of the United States. These contracts may be entered into, regardless of the amount of the purchase price, if the commissioner considers them advantageous and if the purchase price of all the commodities purchased under the contract do not exceed the price specified by the schedule.*

*Subd. 6. [EMERGENCY PURCHASES.] In emergencies the commissioner may, without calling for bids, contract directly for the repair, rehabilitation, and improvement of a state owned structure or may authorize an agency to do so, and may purchase or may authorize an agency to purchase directly supplies, materials, equipment, or utility services for immediate use. An emergency for the purposes of this subdivision is an unforeseen occurrence or combination of circumstances which calls for immediate action in the public interest.*

*Subd. 7. [SPECIFIC PURCHASES.] The following may be purchased without regard to the competitive bidding requirements of this chapter:*

*(1) fiber used in the manufacture of binder twine, ply twines, and rope at the state correctional facilities;*

*(2) merchandise for resale at state park refectories or facility operations;*

*(3) farm and garden products, which may be sold at the prevailing market price on the date of the sale;*

*(4) meat for other state institutions from the vocational school maintained at Pipestone by Independent School District No. 583; and*

*(5) furniture from the Minnesota correctional facility-St. Cloud.*

**Sec. 11. [16B.09] [CONTRACTS AND PURCHASES, AWARD.]**

*Subdivision 1. [LOWEST RESPONSIBLE BIDDER.] All state contracts and purchases made by or under the supervision of the commissioner or an agency for which competitive bids are*



required must be awarded to the lowest responsible bidder, taking into consideration conformity with the specifications, terms of delivery, and other conditions imposed in the call for bids. The commissioner may decide which is the lowest responsible bidder for all purchases. As to contracts other than for purchases, the head of the interested agency shall make the decision, subject to the approval of the commissioner. Any bid may be rejected. In a case where competitive bids are required and where all bids are rejected, new bids, if solicited, must be called for as in the first instance, unless otherwise provided by law.

*Subd. 2. [ALTERATIONS AND ERASURES.] A bid containing an alteration or erasure of any price contained in the bid which is used in determining the lowest responsible bid must be rejected unless the alteration or erasure is corrected pursuant to this subdivision. An alteration or erasure may be crossed out and the correction printed in ink or typewritten adjacent to it and initialed in ink by the person signing the bid.*

*Subd. 3. [SPECIAL CIRCUMSTANCES.] The commissioner may reject the bid of any bidder who has failed to perform a previous contract with the state. In the case of identical low bids from two or more bidders, the commissioner may, in his discretion, use negotiated procurement methods with the tied low bidders for that particular transaction, so long as the price paid does not exceed the low tied bid price.*

*Subd. 4. [RECORD.] A record must be kept of all bids, including names of bidders, amounts of bids, and each successful bid. This record is open to public inspection.*

## Sec. 12. [16B.10] [RECIPROCAL PREFERENCE.]

*Subdivision 1. [RESIDENT PREFERENCE.] When a public contract is to be awarded to the lowest responsible bidder a resident bidder must be given preference over a nonresident bidder from a state which gives or requires a preference to bidders from that state. The preference shall be equal to the preference given or required by the state of the nonresident bidder.*

*Subd. 2. [DEFINITION.] "Resident bidder" as used in this section means a person, firm, or corporation authorized to engage in business in the state of Minnesota and having a bona fide establishment for doing business within the state of Minnesota on the date when any bid for a public contract is first advertised or announced, and includes a foreign corporation authorized to engage in business in Minnesota and having a bona fide establishment for the doing of business within the state.*

*Subd. 3. [EXCEPTION.] The provisions of subdivisions 1 and 2 do not apply to a contract for a project for which federal funds are available.*

Sec. 13. [16B.11] [PREFERENCE FOR MINNESOTA CONTRACTORS.]

*Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following terms have the meanings given them:*

(a) "Municipality" has the meaning assigned to it in section 471.345, subdivision 1;

(b) "Public agency" includes all state agencies, the University of Minnesota, the state university board, and the state board for community colleges;

(c) "Resident" means:

(1) any individual who has been a resident of Minnesota for one year or more immediately prior to bidding on or performing work under the contract;

(2) any partnership or association whose members have been residents of Minnesota for one year or more immediately prior to bidding on or performing work under the contract; and

(3) a corporation, incorporated in Minnesota, which has been in existence for one year or more immediately prior to bidding on or performing work under the contract, or which has its principal place of business in Minnesota; and

(d) "State agency" means an agency as defined in section 14.02, subdivision 2.

*Subd. 2. [RESIDENT CONTRACTORS PREFERRED.] Notwithstanding any other law to the contrary, a contract awarded by a public agency for the engineering services, erection, construction, alteration, or repair of a public building or structure, or for any public work or improvement for which competitive bidding is not required by law, must be awarded to a Minnesota resident. If competitive bidding is required by law, the contract must be awarded to the resident making the lowest responsible bid if the resident's bid is not more than ten percent higher than the lowest responsible nonresident bid. A successful resident bidder may not subcontract more than 20 percent of the work covered by the contract to nonresident subcontractors.*

*Subd. 3. [MINNESOTA LABOR PREFERRED.] All contracts subject to subdivision 2 must require that, wherever possible, resident laborers, workers, and mechanics be used to perform all work covered by the contract.*

*Subd. 4. [PREFERENCE SUBJECT TO FEDERAL LAW.] The provisions of this section are subject to applicable laws of*

*the United States and regulations of federal agencies governing the use and payment of funds granted or advanced by the United States.*

Sec. 14. [16B.12] [PREFERENCE FOR MINNESOTA AND AMERICAN MADE MATERIALS.]

*Subdivision 1. [DEFINITIONS.] As used in this section, the following terms have the meanings given them:*

(a) *“Public agency” has the meaning assigned to it in section 13, subdivision 1, clause (b), and includes any contractor acting pursuant to a contract with a public agency;*

(b) *“Materials” means any goods, supplies, equipment, or any other tangible products or materials, including foods;*

(c) *“Manufactured” means mined, grown, produced, manufactured, fabricated, or assembled;*

(d) *“Manufactured in Minnesota” means manufactured in whole or in substantial part within Minnesota, or that the majority of its components were manufactured in whole or in substantial part in Minnesota, or manufactured in the United States by an individual, corporation, partnership, or association;*

(e) *“Manufactured in the United States” means manufactured in whole or in substantial part within the United States or that the majority of the component parts thereof were manufactured in whole or in substantial part in the United States;*

(f) *“Purchase” means acquire by purchase or lease.*

*Subd. 2. [PURCHASE PREFERENCE.] Notwithstanding the provisions of any other law to the contrary, no materials may be purchased by a public agency for use for governmental purposes which are not manufactured in Minnesota or the United States, except as may be provided in this section. When all other factors are substantially equal, preference must be given first to those products which are manufactured to the greatest extent in Minnesota, and second to those products which are manufactured to the greatest extent in the United States. To the extent possible, specifications must be written so as to permit the public agency to purchase materials manufactured in Minnesota.*

*Subd. 3. [EXEMPTIONS.] Subdivision 2 does not apply if the person having contracting authority in respect to the purchase determines that (1) the materials are not manufactured in Minnesota or the United States in sufficient or reasonably available quantities, (2) the price or bid of the materials ex-*

ceeds by more than ten percent the price or bid of available and comparable materials manufactured outside of Minnesota or the United States, (3) the quality of the materials is substantially less than the quality of comparably priced available materials manufactured outside of Minnesota or the United States, or (4) the purchase of the materials manufactured in Minnesota or the United States is otherwise not in the public interest. Subdivision 2 also does not apply if the materials are purchased with a view to commercial resale or with a view to use in the production of goods for commercial sale.

### SPECIAL PURCHASING SITUATIONS

#### Sec. 15. [16B.13] [ADVERTISEMENT OF HIGHWAY CONTRACTS.]

*Notwithstanding anything in chapter 16B to the contrary, all contracts for the repair, improvement, maintenance, or construction of highways or highway bridges must be advertised and let as provided by law for highway construction contracts.*

#### Sec. 16. [16B.14] [CERTAIN VEHICLES.]

*Upon the written request of the commissioner of public safety, motor vehicles for specific use by investigative and undercover agents of the department of public safety must be purchased by the brand make and model. All other provisions of this chapter relating to competitive bidding apply to purchases covered by this section.*

#### Sec. 17. [16B.15] [ELECTRONIC DATA PROCESSING EQUIPMENT.]

*Subdivision 1. [COMMISSIONER MAY REJECT BIDS.] The commissioner may reject all bids for electronic data processing equipment, related equipment, and software and may negotiate a contract for this equipment if the commissioner finds the bids to be unsatisfactory because of failure to fully comply with the specifications, terms, and conditions of the call for bids. The contract must be awarded to the vendor offering the lowest price to the state taking into consideration the specifications, terms, and conditions agreed upon pursuant to negotiation.*

*Subd. 2. [EQUIPMENT.] The commissioner may purchase, sell, repurchase or otherwise undertake the acquisition, rental or disposal of electronic data processing equipment as best serves the interests of the state; provided, however, the commissioner shall adhere to the competitive bidding requirements of chapter 16.*

#### Sec. 18. [16B.16] [ENERGY EFFICIENCY INSTALLMENT PURCHASES.] *The commissioner shall contract to*

*purchase by installment payments capital or other equipment or services intended to improve the energy efficiency of a state building or facility if:*

- (1) *the term of the contract does not exceed ten years;*
- (2) *the entire cost of the contract is a percentage of the resultant savings in energy costs;*
- (3) *the contract for purchase is competitive; and*
- (4) *the state may unilaterally cancel the agreement if the legislature fails to appropriate funds to continue the contract.*

*The commissioner may spend money appropriated for energy costs in payment of a contract under this section.*

**Sec. 19. [16B.17] [CONSULTANTS AND TECHNICAL SERVICES.]**

*Subdivision 1. [TERMS.] For purposes of this section, the following terms have the meanings given them:*

(a) **[CONSULTANT SERVICES.]** *“Consultant services” means services which are intellectual in character; which do not involve the provision of supplies or materials; which include analysis, evaluation, prediction, planning, or recommendation; and which result in the production of a report.*

(b) **[PROFESSIONAL AND TECHNICAL SERVICES.]** *“Professional and technical services” means services which are predominantly intellectual in character; which do not involve the provision of supplies or materials; and in which the final result is the completion of a task rather than analysis, evaluation, prediction, planning, or recommendation.*

**Subd. 2. [PROCEDURE FOR CONSULTANT AND PROFESSIONAL AND TECHNICAL SERVICES CONTRACTS.]** *Before approving a proposed state contract for consultant services or professional and technical services the commissioner must determine, at least, that:*

- (1) *all provisions of section 21 and subdivision 3 of this section have been verified or complied with;*
- (2) *the work to be performed under the contract is necessary to the agency's achievement of its statutory responsibilities, and there is statutory authority to enter into the contract;*
- (3) *the contract will not establish an employment relationship between the state or the agency and any persons performing under the contract;*

(4) no current state employees will engage in the performance of the contract;

(5) no state agency has previously performed or contracted for the performance of tasks which would be substantially duplicated under the proposed contract; and

(6) the contracting agency has specified a satisfactory method of evaluating and using the results of the work to be performed.

Subd. 3. [DUTIES OF CONTRACTING AGENCY.] Before an agency may seek approval of a consultant or professional and technical services contract valued in excess of \$2,000, it must certify to the commissioner that:

(1) no state employee is able to perform the services called for by the contract;

(2) the normal competitive bidding mechanisms will not provide for adequate performance of the services;

(3) the services are not available as a product of a prior consultant or professional and technical services contract, and the contractor has certified that the product of his services will be original in character;

(4) reasonable efforts were made to publicize the availability of the contract;

(5) the agency has received, reviewed, and accepted a detailed work plan from the contractor for performance under the contract; and

(6) the agency has developed, and fully intends to implement, a written plan providing for the assignment of specific agency personnel to a monitoring and liaison function; the periodic review of interim reports or other indications of past performance, and the ultimate utilization of the final product of the services.

Subd. 4. [REPORTS.] After completion of performance under a consultant or professional and technical services contract, the agency shall evaluate the performance under the contract and the utility of the final product. This evaluation must be delivered to the commissioner, who shall retain all the evaluations for future reference. The commissioner shall submit to the governor and the legislature a monthly listing of all contracts for consultant services and for professional and technical services executed or disapproved in the preceding month. The report must identify the parties and the contract amount, duration, and tasks to be performed. The commissioner shall also issue quarterly

*reports summarizing the contract review activities of the department during the preceding quarter.*

*Subd. 5. [CONTRACT TERMS.] A consultant or technical and professional services contract must by its terms permit the agency to unilaterally terminate the contract prior to completion, upon payment of just compensation, if the agency determines that further performance under the contract would not serve agency purposes. If the final product of the contract is to be a report, no more than three copies of the report, one in camera ready form, shall be submitted to the agency. One of the copies must be filed with the legislative reference library.*

**Sec. 20. [16B.18] [SHELTERED WORKSHOPS; PROCUREMENT OF PRODUCTS AND SERVICES; WORK ACTIVITY PROGRAMS.]**

*Subdivision 1. [PRODUCT AND SERVICE LIST.] The commissioner in consultation with the commissioner of economic security shall prepare a list containing products and services of state certified sheltered workshops and work activity programs for procurement use by state agencies and institutions. The commissioner shall determine the fair market price for listed products and services. In determining the fair market price the commissioner shall consider (1) open market bid prices in previous years for similar products and services, and (2) cost increases for both labor and materials. The price paid may not exceed by more than five percent the fair market price. State agencies and institutions shall, after promulgation of the product and service list by the commissioner, procure listed products and services from sheltered workshops and work activity programs in preference to procurement from other suppliers or sources with the exceptions in this section. The provisions of this chapter relating to competitive bidding do not apply to purchases made in accordance with this section.*

*Subd. 2. [PRODUCTS AND SERVICES AVAILABLE ELSEWHERE.] When any listed products or services are available for procurement from any state agency or institution and procurement from the agency or institution is required by law, the procurement must be made in accordance with that law.*

*Subd. 3. [RULES.] Rules under this section may provide a procedure by which the commissioner shall determine product specifications, quality standards, and timing of delivery to be complied with by the sheltered workshop and work activity program boards on purchases made under this section. The list to be prepared pursuant to subdivision 1 shall not be promulgated as a rule.*

*Subd. 4. [SELECTION OF NONPROFIT CORPORATION.] The commissioner may select a nonprofit corporation*

organized under chapter 317 to facilitate distribution of orders among sheltered workshops and work activity programs. The corporation shall distribute orders so as to afford each sheltered workshop and work activity program an equal opportunity to obtain orders.

Sec. 21. [16B.19] [PROCUREMENT FROM SMALL BUSINESSES.]

*Subdivision 1. [SMALL BUSINESS AND MINNESOTA CORRECTIONAL INDUSTRIES SET-ASIDES.] The commissioner shall for each fiscal year designate and set aside for awarding to small businesses and Minnesota correctional industries approximately 25 percent of the value of anticipated total state procurement of goods and services including printing and construction. The commissioner shall divide the procurements so designated into contract award units of economically feasible production runs in order to facilitate offers or bids from small businesses and Minnesota correctional industries. In making his annual designation of set-aside procurements the commissioner shall attempt (1) to vary the included procurements so that a variety of goods and services produced by different small businesses are set aside each year, and (2) to designate set-aside procurements in a manner that will encourage proportional distribution of set-aside awards among the geographical regions of the state. To promote the geographical distribution of set-aside awards, the commissioner may designate a portion of the small business set-aside procurement for award to bidders from a specified congressional district or other geographical region specified by the commissioner. The failure of the commissioner to set aside particular procurements shall not be deemed to prohibit or discourage small businesses or Minnesota correctional industries from seeking the procurement award through the normal solicitation and bidding processes.*

*Subd. 2. [CONSULTANT, PROFESSIONAL AND TECHNICAL PROCUREMENTS.] Every state agency shall for each fiscal year designate and set aside for awarding to small businesses with their principal place of business in Minnesota approximately 25 percent of the value of anticipated procurements of that agency for consultant services or professional and technical services. The set-aside under this subdivision is in addition to that provided by subdivision 1, but shall otherwise comply with section 19 and the set-aside for businesses owned and operated by socially or economically disadvantaged persons.*

*Subd. 3. [NEGOTIATED PRICE OR BID CONTRACT.] The commissioner may elect to use either a negotiated price or bid contract procedure in the awarding of a procurement contract under the set-aside program established in sections 21 to 24. The amount of an award may not exceed by more than five percent the commissioner's estimated price for the goods or ser-*



vices, if they were to be purchased on the open market and not under this set-aside program. Surety bonds guaranteed by the federal Small Business Administration and second party bonds are acceptable security for a construction award under this section. "Second party bond" means a bond which designates as principal, guarantor, or both, a person or persons in addition to the person to whom the contract is proposed for award.

**Subd. 4. [DETERMINATION OF ABILITY TO PERFORM.]** Before announcing a set-aside award, the commissioner shall evaluate whether the small business or Minnesota correctional industry scheduled to receive the award is able to perform the set-aside contract. This shall be done in consultation with an authorized agent of the Minnesota correctional industries program. This determination shall include consideration of production and financial capacity and technical competence.

**Subd. 5. [PREFERENCE TO SMALL BUSINESSES.]** At least 24 percent of the value of the procurements designated for set-aside awards shall be awarded, if possible, to businesses owned and operated by socially or economically disadvantaged persons as defined in section 645.445. The commissioner shall designate set-aside procurements in a manner that will encourage proportional distribution of set-aside awards among the geographical regions of the state. To promote the geographical distribution of set-aside awards, the commissioner may designate a portion of the set-aside for small businesses owned and operated by socially or economically disadvantaged persons for award to bidders from a specified congressional district or other geographical region specified by the commissioner. In the event small businesses owned and operated by socially or economically disadvantaged persons are unable to perform at least 24 percent of the set-aside awards, the commissioner shall award the balance of the set-aside contracts to other small businesses. At least 50 percent of the value of the procurements awarded to businesses owned and operated by socially or economically disadvantaged persons shall actually be performed by the business to which the award is made or another business owned and operated by a socially or economically disadvantaged person or persons. The commissioner may not designate more than 20 percent of any commodity class for set-aside to businesses owned and operated by socially or economically disadvantaged persons. A business owned and operated by socially or economically disadvantaged persons that has been awarded more than five percent of the value of the total anticipated set-aside procurements for a fiscal year under this subdivision is disqualified from receiving further set-aside awards for that fiscal year.

**Subd. 6. [CONTRACTS IN EXCESS OF \$200,000; SET-ASIDE.]** The commissioner as a condition of awarding state procurements for construction contracts or approving contracts for consultant, professional, or technical services pursuant

to section 19 in excess of \$200,000 shall require that at least ten percent of the contract award to a prime contractor be subcontracted to a business owned and operated by a socially or economically disadvantaged person or persons. Any subcontracting pursuant to this subdivision may not be included in determining the total amount of set-aside awards required by subdivisions 1, 1a, and 4, or any preference program authorized by the commissioner pursuant to section 24. In the event small businesses owned and operated by socially and economically disadvantaged persons are unable to perform ten percent of the prime contract award, the commissioner shall require that other small businesses perform at least ten percent of the prime contract award. The commissioner may determine that small businesses owned and operated by socially and economically disadvantaged persons are unable to perform at least ten percent of the prime contract award prior to the advertising for bids. Each construction contractor bidding on a project over \$200,000 shall submit with the bid a list of the businesses owned and operated by socially or economically disadvantaged persons that are proposed to be utilized on the project with a statement indicating the portion of the total bid to be performed by each business. The commissioner shall reject any bid to which this subdivision applies that does not contain this information. Prime contractors receiving construction contract awards in excess of \$200,000 shall furnish to the commissioner the name of each business owned and operated by a socially or economically disadvantaged person or persons or other small business that is performing work on the prime contract and the dollar amount of the work performed.

**Subd. 7. [PREFERENCE TO MINNESOTA CORRECTIONAL INDUSTRIES.]** At least 15 percent of the value of procurements designated for set-aside awards shall be awarded, if possible, to Minnesota correctional industries, established and under the control of the commissioner of corrections under section 241.27, for the variety of goods and services produced by the Minnesota correctional industries, unless the commissioner of corrections acting through an authorized agent certifies that Minnesota correctional industries cannot provide them. If the correctional industries are unable to perform at least 15 percent of the set-aside awards, the commissioner shall award the balance of the set-aside contracts to small businesses.

**Subd. 8. [RECOURSE TO OTHER BUSINESSES.]** In the event that subdivisions 1 to 4b do not operate to extend a contract award to a small business or the Minnesota correctional industries, the award must be placed pursuant to the normal solicitation and award provisions in this chapter. The commissioner shall then designate and set aside for small businesses or the Minnesota correctional industries additional state procurements corresponding in approximate value to the contract unable to be awarded pursuant to subdivisions 1 to 4b.

**Subd. 9. [PROCUREMENT PROCEDURES.]** All laws and rules pertaining to solicitations, bid evaluations, contract

*awards, and other procurement matters apply equally to procurements set aside for small businesses or Minnesota correctional industries. In the event of conflict with other rules, sections 21 to 24 and rules adopted under those sections govern.*

**Sec. 22. [16B.20] [ENCOURAGEMENT OF PARTICIPATION; ADVISORY COUNCIL.]**

*Subdivision 1. [COMMISSIONER OF ADMINISTRATION.] The commissioners of administration and energy and economic development shall publicize the provisions of the set-aside program, attempt to locate small businesses able to perform set-aside procurement awards, and encourage participation. When the commissioner of administration determines that a small business is unable to perform under a set-aside contract, the commissioner shall inform the commissioner of energy and economic development who shall assist the small business in attempting to remedy the causes of the inability to perform a set-aside award. In assisting the small business, the commissioner of energy and economic development in cooperation with the commissioner of administration shall use management or financial assistance programs made available by or through the department of energy and economic development, other state or governmental agencies, or private sources.*

*Subd. 2. [ADVISORY COUNCIL.] A small business procurement advisory council is created. The council consists of 13 members appointed by the governor. A chairperson of the advisory council shall be elected from among the members. The appointments are subject to the appointments program provided by section 15.0597. The terms and removal of members are as provided in section 15.059, but members do not receive per diem or expenses.*

*Subd. 3. [DUTIES.] The small business procurement advisory council shall:*

*(1) advise the commissioner of administration on matters relating to the small business procurement program;*

*(2) review complaints or grievances from small business vendors or contractors who are doing or attempting to do business under the program; and*

*(3) review the reports of the commissioners of administration and energy and economic development provided by section 23 to ensure compliance with the goals of the program.*

**Sec. 23. [16B.21] [REPORTS.]**

*Subdivision 1. [COMMISSIONER OF ADMINISTRATION.] The commissioner shall submit an annual report pursuant to section 3.195 to the governor and the legislature with a*

copy to the commissioner of energy and economic development indicating the progress being made toward the objectives and goals of sections 21 to 24 during the preceding fiscal year. The commissioner shall also submit a quarterly report to the small business procurement advisory council. These reports shall include the following information:

(1) the total dollar value and number of potential set-aside awards identified during this period and the percentage of total state procurement this figure reflects;

(2) the number of small businesses identified by and responding to the set-aside program, the total dollar value and number of set-aside contracts actually awarded to small businesses with appropriate designation as to the total number and value of set-aside contracts awarded to each small business, and the total number of small businesses that were awarded set-aside contracts;

(3) the total dollar value and number of set-aside contracts awarded to small businesses owned and operated by economically or socially disadvantaged persons with appropriate designation as to the total number and value of set-aside contracts awarded to each small business and to each category of economically or socially disadvantaged persons as defined by section 645.445 and agency rules, and the percentages of the total state procurements the figures of total dollar value and the number of set-asides reflect; and

(4) the number of contracts which were designated and set aside pursuant to section 21 but which were not awarded to a small business, the estimated total dollar value of these awards, the lowest offer or bid on each of these awards made by the small business, and the price at which these contracts were awarded pursuant to the normal procurement procedures.

The information required by paragraphs (1) and (2) must be presented on a statewide basis and also broken down by geographic regions within the state.

**Subd. 2. [COMMISSIONER OF ENERGY AND ECONOMIC DEVELOPMENT.]** The commissioner of energy and economic development shall submit an annual report to the governor and the legislature pursuant to section 3.195 with a copy to the commissioner of administration. This report shall include the following information:

(1) the efforts undertaken to publicize the provisions of the set-aside program during the preceding fiscal year;

(2) the efforts undertaken to identify small businesses including those owned and operated by socially or economically

*disadvantaged persons, and the efforts undertaken to encourage participation in the set-aside program;*

*(3) the efforts undertaken by the commissioner to remedy the inability of small businesses to perform on potential set-aside awards; and*

*(4) the commissioner's recommendations for strengthening the set-aside program and delivery of services to small businesses.*

Sec. 24. [16B.22] [RULES.]

*The commissioner shall adopt by rule standards and procedures for certifying that small businesses and small businesses owned and operated by socially or economically disadvantaged persons are eligible to participate under the requirements of sections 21 to 24. The rules shall provide that certification as a small business owned and operated by socially or economically disadvantaged persons will be for a maximum of five years from the date of receipt of the first set-aside award, and that after the expiration of the certification period the business may not again be certified for a five-year period. The commissioner shall adopt by rule standards and procedures for hearing appeals and grievances and other rules necessary to carry out the duties set forth in sections 21 to 24.*

*The commissioner may make rules which exclude or limit the participation of nonmanufacturing business, including third-party lessors, jobbers, manufacturers' representatives, and others from eligibility under sections 21 to 24.*

*The commissioner may adopt rules to establish a preference program whereby businesses owned and operated by socially and economically disadvantaged persons would be allowed a five percent preference in the bid amount on selected state procurements or a preference program whereby businesses owned and operated by socially and economically disadvantaged persons would be awarded any state procurement if the business could meet the low bid amount for that procurement. Each of the preference programs is applicable to no more than 1.5 percent of the value of anticipated total state procurements of goods and services, including construction. Each preference program established by the commissioner expires on June 30, 1986, and the commissioner shall report to the legislature on the progress of the program by January 1, 1986.*

Sec. 25. [16B.23] [DISTRICT HEATING.]

*Notwithstanding any other law, general or special, the commissioner of administration is authorized to enter into or approve a written agreement not to exceed 31 years with a district*

heating utility that will specify, but not be limited to, the appropriate terms and conditions for the interchange of district heating services.

## MANAGEMENT OF STATE PROPERTY

### Sec. 26. [16B.24] [GENERAL AUTHORITY.]

*Subdivision 1. [OPERATION AND MAINTENANCE OF BUILDINGS.] The commissioner is authorized to maintain and operate the state capitol building and grounds, subject to whatever standards and policies are set for its appearance and cleanliness by the capitol area architectural and planning board and the commissioner pursuant to section 15.50, subdivision 2, clause (h), and the state office building, the historical society building, the Normandale, Anoka-Ramsey, North Hennepin, Lakewood, Metropolitan, and South East Metropolitan Community Colleges, the employment services buildings in Minneapolis and St. Paul, the state department of health building, and the surplus property building, and their grounds, and, when the commissioner considers it advisable and practicable, any other building or premises owned or rented by the state for the use of a state agency. The commissioner shall assign and reassign office space in the capitol and state buildings to make an equitable division of available space among agencies. The power granted in this subdivision does not apply to state hospitals or to educational, penal, correctional, or other institutions not enumerated in this subdivision the control of which is vested by law in some other agency.*

*Subd. 2. [REPAIRS.] The commissioner shall supervise and control the making of necessary repairs to all state buildings and structures, except structures, other than buildings, under the control of the state transportation department; provided that all repairs to the public and ceremonial areas and the exterior of the state capitol building shall be carried out subject to the standards and policies of the capitol area architectural and planning board and the commissioner of administration adopted pursuant to section 15.50, subdivision 2, clause (h).*

*Subd. 3. [DISPOSAL OF OLD BUILDINGS.] The commissioner, upon request of the head of an agency which has control of a state owned building which is no longer used or which is a fire or safety hazard, shall, after obtaining approval of the chairmen of the senate finance committee and house of representatives appropriations committee, sell, wreck, or otherwise dispose of the building. In the event a sale is made the proceeds shall be deposited in the proper account or in the general fund.*

*Subd. 4. [INSPECTIONS; APPRAISALS; INVENTORIES.] The commissioner shall provide for the periodic inspection and appraisal of all state property, real and personal, and for current and perpetual inventories of all state property.*

*The commissioner shall require agencies to make reports of the real and personal property in their custody at the intervals and in the form the commissioner considers necessary.*

*Subd. 5. [RENTING OUT STATE PROPERTY.] (a) [AUTHORITY.] The commissioner may rent out state property, real or personal, that is not needed for public use, if the rental is not otherwise provided for or prohibited by law. The property may not be rented out for more than two years at a time without the approval of the state executive council, and may never be rented out for more than 25 years.*

*(b) [RESTRICTIONS.] Paragraph (a) does not apply to state trust fund lands, other state lands under the jurisdiction of the department of natural resources, lands forfeited for delinquent taxes, lands acquired under section 298.22, or lands acquired under section 41.56 which are under the jurisdiction of the department of agriculture.*

*(c) [FORT SNELLING CHAPEL; RENTAL.] The Fort Snelling Chapel, located within the boundaries of Fort Snelling State Park, is available for use only on payment of a rental fee. The commissioner shall establish rental fees for both public and private use. The rental fee for private use by an organization or individual must reflect the reasonable value of equivalent rental space. Rental fees collected under this section must be deposited in the general fund.*

*(d) [RENTAL OF LIVING ACCOMMODATIONS.] The commissioner shall establish rental rates for all living accommodations provided by the state for its employees. Money collected as rent by state agencies pursuant to this paragraph must be deposited in the state treasury and credited to the general fund.*

*(e) [LEASE OF SPACE IN CERTAIN STATE BUILDINGS TO STATE AGENCIES.] The commissioner may lease portions of the state owned buildings in the capitol complex, the capitol square building, the health building, and the building at 1246 University Avenue, St. Paul, Minnesota, to state agencies and charge rent on the basis of space occupied. Notwithstanding any law to the contrary, all money collected as rent pursuant to the terms of this section shall be deposited in the state treasury. Money collected as rent to recover the depreciation cost of a building built with state dedicated funds shall be credited to the dedicated fund which funded the original acquisition or construction. All other money received shall be credited to the general fund.*

*Subd. 6. [PROPERTY RENTAL.] (a) [LEASES.] The commissioner shall rent land and other premises when necessary for state purposes. The commissioner may lease land or premises for five years or less, subject to cancellation upon 30 days written notice by the state for any reason except rental of other land*

or premises for the same use. The commissioner may not rent nonstate-owned land and buildings or substantial portions of land or buildings within the capitol area as defined in section 15.50 unless the commissioner first consults with the capitol area architectural and planning board. Lands needed by the department of transportation for storage of vehicles or road materials may be rented for five years or less, such leases for terms over two years being subject to cancellation upon 30 days written notice by the state for any reason except rental of other land or premises for the same use.

(b) [USE VACANT PUBLIC SPACE.] No agency may initiate or renew a lease for space for its own use in a private building unless the commissioner has thoroughly investigated presently vacant space in public buildings, such as closed school buildings, and found that none is available.

(c) [PREFERENCE FOR CERTAIN BUILDINGS.] For needs beyond those which can be accommodated in state owned buildings, the commissioner shall acquire and utilize space in suitable buildings of historical, architectural, or cultural significance for the purposes of this subdivision unless use of that space is not feasible, prudent and cost effective compared with available alternatives. Buildings are of historical, architectural, or cultural significance if they are listed on the national register of historic places, designated by a state or county historical society, or designated by a municipal preservation commission.

Subd. 7. [POWER, HEATING, AND LIGHTING PLANTS.] The commissioner shall inspect all state power, heating, and lighting plants, make rules governing their operation, and recommend improvements in the plants which will promote their economical and efficient operation.

Subd. 8. [REGIONAL SERVICE CENTER.] The commissioner may establish a regional service center on a demonstration basis. The commissioner shall select agencies to participate in the demonstration service center and determine equitable methods of sharing space, personnel and equipment. The commissioner may enter into a lease for a base term of five years with a five year leasehold renewal option to acquire suitable space for the service center.

Sec. 27. [16B.25] [LOST PROPERTY ON STATE LANDS.]

Subdivision 1. [PERMITS.] The commissioner may grant a permit to search upon lands, highways, or in buildings owned by the state for lost or abandoned property. Conditions of a permit may include a formula for dividing between the state and the finder the proceeds of any property found and unclaimed.



*Subd. 2. [NOTICE.] Lost or abandoned property found on state lands is placed in the custody of the commissioner. If the rightful owner is known, the owner must be notified by certified mail and may reclaim the property on paying the expenses of the search. If the owner is unknown, the commissioner must give two weeks' published notice in the county where the property was found. Within six months following publication, the rightful owner may receive the property on paying the search expenses.*

*Subd. 3. [DISPOSAL.] Unclaimed property may be sold at public sale, disposed of as state surplus property, or destroyed, based on the commissioner's judgment of its value.*

*Subd. 4. [MONEY.] All lost or abandoned money found under a permit granted pursuant to this section, and the proceeds from the sale of other abandoned or lost property found under a permit, must be deposited in the general fund.*

**Sec. 28. [16B.26] [UTILITY COMPANIES, PERMITS TO CROSS STATE-OWNED LANDS.]**

*Subdivision 1. [EASEMENTS.] (a) [AUTHORITY.] Except where the authority conferred by this section has been imposed on some other state or county office, the commissioner may grant an easement or permit over, under, or across any land owned by the state for the purpose of constructing roads, streets, telephone, telegraph, and electric power lines, cables or conduits, underground or otherwise, or mains or pipe lines for gas, liquids, or solids in suspension. This authority does not apply to land under the jurisdiction of the commissioner of natural resources or land obtained for trunk highway purposes.*

*(b) [NOTICE OF REVOCATION.] An easement or permit is revocable by written notice given by the commissioner if at any time its continuance will conflict with a public use of the land over, under, or upon which it is granted, or for any other reason. The notice must be in writing and is effective 90 days after the notice is sent by certified mail to the last known address of the record holder of the easement. If the address of the holder of the easement or permit is not known, it expires 90 days after the notice is recorded in the office of the county recorder of the county in which the land is located. Upon revocation of an easement, the commissioner may allow a reasonable time to vacate the premises affected.*

*(c) [EASEMENT RUNS WITH LAND.] State land subject to an easement or permit granted by the commissioner remains subject to sale or lease, and the sale or lease does not revoke the permit or easement granted.*

*Subd. 2. [LAND CONTROLLED BY OTHER AGENCIES.] If the easement or permit involves land under the jurisdiction*

*of an agency other than the department of administration, it is subject to the approval of the head of the agency and is subject to revocation by the commissioner as provided in this section, on request of the head of the agency.*

*Subd. 3. [APPLICATION.] An application for easement or permit under this section must be in quadruplicate and must include; a legal description of the land affected; a map showing the area affected by the easement or permit; and a detailed design of any structures to be placed on the land. The commissioner may require that the application be in another form and include other descriptions, maps, or designs. The commissioner may at any time order changes or modifications respecting construction or maintenance of structures or other conditions of the easement which the commissioner finds necessary to protect the public health and safety.*

*Subd. 4. [FORM; DURATION.] The easement or permit must be in a form prescribed by the attorney general and must describe the location of the easement granted. The easement or permit continues until revoked by the commissioner, subject to change or modification as provided in this section.*

*Subd. 5. [CONSIDERATION; TERMS.] The commissioner may prescribe consideration and conditions for granting an easement or permit. Money received by the state under this section must be credited to the fund to which income or proceeds of sale from the land would be credited, if provision for the sale is made by law. Otherwise, it must be credited to the general fund.*

## **Sec. 29. [16B.27] [GOVERNOR'S RESIDENCE.]**

*Subdivision 1. [USE.] The governor's residence must be used for official ceremonial functions of the state, and to provide suitable living quarters for the governor of the state.*

*Subd. 2. [MAINTENANCE.] The commissioner shall maintain the governor's residence in the same way as other state buildings are maintained and shall rehabilitate, decorate, and furnish the building. The decoration and furnishing shall be guided by the governor's residence council.*

*Subd. 3. [COUNCIL.] The governor's residence council consists of the following 15 members: the commissioner; the spouse, or a designee of the governor; the executive director of the Minnesota state arts board; the director of the Minnesota historical society; a member of the senate appointed pursuant to the rules of the senate; a member of the house of representatives appointed pursuant to the rules of the house of representatives; seven persons appointed by the governor including one in the field of higher education, one member of the American Society of*

*Interior Designers, Minnesota Chapter, one member of the American Institute of Architects, Minnesota Chapter, one member of the American Society of Landscape Architects, Minnesota Chapter, one member of the family that donated the governor's residence to the state, if available, and four public members. Members of the council serve without compensation. Membership terms, removal, and filling of vacancies for members appointed by the governor are governed by section 15.0575. The council shall elect a chairman and a secretary from among its members. The council shall expire on the date provided by section 15.059, subdivision 5.*

*Subd. 4. [DUTIES.] The council shall develop an overall restoration plan for the governor's residence and surrounding grounds and approve alterations in the existing structure.*

*Subd. 5. [GIFTS.] (a) To maintain and improve the quality of furnishings for the public areas of the building, the council may solicit and accept donated money, furnishings, objects of art and other items the council determines may have historical value in keeping with the building's period and purpose. The gift acceptance procedures of sections 7.09 to 7.12 do not apply to this subdivision.*

*(b) Notwithstanding sections 7.09 to 7.12, the council may solicit contributions for the renovation of and capital improvements to the governor's residence.*

*(c) Gifts for the benefit of the governor's residence and surrounding grounds are not accepted by the state unless accepted by the council. The council shall maintain a complete inventory of all gifts and articles received.*

### **Sec. 30. [16B.28] [SURPLUS FEDERAL PROPERTY.]**

*Subdivision 1. [DEFINITIONS.] For purposes of this section the following terms have the meanings given them:*

*(a) "Surplus property" means commodities, equipment, materials, supplies, books, printed matter, and other property made available by the federal government to a governmental or non-profit organization.*

*(b) "Governmental or nonprofit organization" means the state of Minnesota, its departments, agencies, political subdivisions, and other instrumentalities, and any nonprofit and tax-exempt medical institution, hospital, clinic, health center, school, school system, college, university, or other institution organized and existing for any purpose authorized by federal law to accept surplus property.*

*Subd. 2. [AUTHORIZATION.] The commissioner is the state agency designated to purchase or accept surplus property*

for the state and for the benefit of any other governmental or nonprofit organization for any purpose authorized by federal law and in accordance with federal rules and regulations. Any governmental or nonprofit organization may designate the commissioner to purchase or accept surplus property for it upon mutually agreeable terms and conditions. The commissioner may store surplus property until it is needed and any expenses incurred in connection with the storage shall be paid from the surplus property revolving fund.

Subd. 3. [REVOLVING FUND.] (a) [CREATION.] To pay for surplus property received from the federal government for governmental or nonprofit organizations, including the expense of accepting and distributing that property, there is a surplus property revolving fund in the state treasury. Money paid into the surplus property revolving fund is appropriated to the commissioner for the purposes of this section.

(b) [ADVANCES.] No more than \$1,000 from the surplus property revolving fund may be advanced to the commissioner or a state employee engaged in performing duties under this section to pay the expenses of travel, subsistence, toll charges, and similar expenses, in accordance with requirements prescribed by the commissioner of finance. When money which was advanced is repaid, it must be deposited in the state treasury to the credit of the surplus property revolving fund.

(c) [TRANSFER TO STATE AGENCY.] When the state or an agency operating under a legislative appropriation obtains surplus property from the commissioner, the commissioner of finance must, at the commissioner's request, transfer the cost of the property, including any expenses of accepting and distributing the property, from the appropriation of the state agency receiving the surplus property to the surplus property revolving fund. The determination of the commissioner is final as to the cost of the surplus property to the state agency receiving the property.

(d) [TRANSFER TO OTHER AGENCIES.] When any governmental or nonprofit organization other than a state agency receives surplus property from the commissioner, the governmental or nonprofit organization must reimburse the surplus property revolving fund for the cost of the property, including the expenses of accepting and distributing it, in an amount the commissioner sets. The commissioner may, however, require the governmental or nonprofit organization to deposit in advance in the surplus property revolving fund the cost of the surplus property upon mutually agreeable terms and conditions.

Sec. 31. [16B.29] [STATE SURPLUS PROPERTY; DISPOSAL.]

The commissioner may do any of the following to dispose of supplies, materials, and equipment which are surplus, obsolete, or unused: (1) transfer it to or between state agencies; (2) transfer it to local government units in Minnesota; or (3) sell it. The commissioner must make proper adjustments in the accounts and appropriations of the agencies concerned. When the commissioner sells the supplies, materials and equipment, the proceeds of the sale are appropriated to the agency for whose account the sale was made, to be used and expended by the agency to purchase similar needed supplies, materials and equipment at any time during the biennium in which the sale occurred.

## CAPITAL IMPROVEMENTS

### Sec. 32. [16B.30] [GENERAL AUTHORITY.]

Subject to other provisions in this chapter, the commissioner shall supervise and control the making of all contracts for the construction of buildings and for other capital improvements to state buildings and structures.

### Sec. 33. [16B.31] [COMMISSIONER MUST APPROVE PLANS.]

*Subdivision 1.* [CONSTRUCTION PLANS AND SPECIFICATIONS.] The commissioner shall (1) have plans and specifications prepared for the construction, alteration, or enlargement of all state buildings, structures, and other improvements except highways and bridges; (2) approve those plans and specifications; (3) advertise for bids and award all contracts in connection with the improvements; (4) supervise and inspect all work relating to the improvements; (5) approve all lawful changes in plans and specifications after the contract for an improvement is let; and (6) approve estimates for payment. This subdivision does not apply to the construction of the zoological gardens.

*Subd. 2.* [APPROPRIATIONS.] Plans must be paid for out of money appropriated for the purpose of improving or constructing the building. No part of the balance may be expended until the commissioner has secured suitable plans and specifications, prepared by a competent architect or engineer, and accompanied by a detailed statement of the cost, quality, and description of all material and labor required for the completion of the work. No plan may be adopted, and no improvement made or building constructed, that contemplates the expenditure for its completion of more money than the appropriation for it, unless otherwise provided in this section or the act making the appropriation. The commissioner may not direct or permit any expenditure beyond that appropriated, and any agent of the commissioner violating this provision is guilty of a gross misdemeanor.

Subd. 3. [FEDERAL AID.] (a) [ACCEPTANCE OF AID.] *The commissioner is the state agency empowered to accept money provided for or made available to this state by the United States of America or any federal department or agency for the construction and equipping of any building for state purposes not otherwise provided for by law, other than University of Minnesota buildings, in accordance with the provisions of federal law and any rules or regulations promulgated under federal law. The commissioner may do whatever is required of this state by federal law, rules, and regulations in order to obtain the federal money.*

(b) [FEDERAL FUNDS CONSIDERED PART OF APPROPRIATION.] *The commissioner may after consultation with the chairmen of the senate finance committee and house of representatives appropriations committee, adopt a plan, provide for an improvement, or construct a building that contemplates expenditure for its completion of more money than the appropriation for it, if the excess money is provided by the United States government and granted to the state of Minnesota under federal law or any rule or regulation promulgated under federal law. This federal money, for the purpose of this section, is a part of the appropriation for the project.*

(c) [DELAYED FEDERAL MONEY.] *If an amount is payable to a creditor of the state from a project account which is financed partly with federal money and the project is included in appropriations made to the commissioner for public buildings and equipment, and the amount cannot be paid on time because of a deficiency of money in the project account caused by a delay in the receipt of federal money, the commissioner may provide money needed to pay the amount by temporarily transferring the sum to the project account from any other appropriation made to the commissioner in the same act. Required money for a payment is appropriated for that purpose. When the delayed federal money is received, the commissioner shall have the amount of money transferred returned to the account from which it came.*

Subd. 4. [CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD.] (a) [COMPREHENSIVE USE PLAN; COMPETITIONS.] *Notwithstanding any provision of this section to the contrary, plans for proposed new buildings and for features of existing public buildings in the capitol area which the capitol area architectural and planning board consider to possess architectural significance are subject to section 15.50, subdivision 2, clauses (c) and (e).*

(b) [APPROVAL REQUIRED.] *The preparation of plans and specifications for the capitol area, as defined in section 15.50, may not be initiated, contracted for, or conducted without consultation with the capitol area architectural and planning board to the extent the plans and specifications involve the public and ceremonial areas and the exterior of the capitol building*

and the lobbies, public concourses, and other features of other public buildings in the capitol area which the capitol area architectural and planning board considers to have architectural significance. The commissioner may not approve or adopt plans or specifications for the capitol area unless they have been approved by the capitol area architectural and planning board. The capitol area architectural and planning board must also be advised of and approve changes in plans and specifications which affect projects within the capitol area.

Sec. 34. [16B.32] [ALTERNATIVE ENERGY SOURCES.]

Plans prepared by the commissioner for a new building or for a renovation of 50 percent or more of an existing building or its energy systems must include designs which use active and passive solar energy systems, earth sheltered construction, and other alternative energy sources where feasible.

Sec. 35. [16B.33] [DESIGNER SELECTION BOARD.]

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms have the meanings given them:

(a) "Agency" has the meaning given in section 3, and also includes the University of Minnesota.

(b) "Architect" means an architect or landscape architect registered to practice under sections 326.02 to 326.15.

(c) "Board" means the state designer selection board.

(d) "Designer" means an architect or engineer, or a partnership, association, or corporation comprised primarily of architects or engineers or of both architects and engineers.

(e) "Engineer" means an engineer registered to practice under sections 326.02 to 326.15.

(f) "Person" includes an individual, corporation, partnership, association, or any other legal entity.

(g) "Primary designer" means the designer who is to have primary design responsibility for a project, and does not include designers who are merely consulted by the user agency and do not have substantial design responsibility, or designers who will or may be employed or consulted by the primary designer.

(h) "Project" means an undertaking to construct, erect, or remodel a building by or for the state or an agency.

(i) "User agency" means the agency undertaking a specific project.

**Subd. 2. [ORGANIZATION OF BOARD.] (a) [MEMBERSHIP.]** *The state designer selection board consists of five individuals, the majority of whom must be Minnesota residents. Each of the following three organizations shall nominate one individual whose name and qualifications shall be submitted to the governor for consideration: the consulting engineers council of Minnesota after consultation with other professional engineering societies in the state; the Minnesota society of architects; and the Minnesota board of the arts. The governor may appoint the three named individuals to the board with the advice and consent of the senate, but the governor may reject a nominated individual and request another nomination. The remaining two members shall also be appointed by the governor with the advice and consent of the senate.*

(b) **[NON-VOTING MEMBERS.]** *In addition to the five members of the board, two non-voting members shall participate in the interviewing and selection of designers pursuant to this section. One shall be a representative of the commissioner and shall participate in the interviewing and selection of designers for all projects. The other shall be a representative of the user agency, who shall participate in the interviewing and selection of the designers for the project being undertaken by the user agency. The commissioner shall appoint the representative of the user agency in consultation with the user agency.*

(c) **[TERMS; COMPENSATION; REMOVAL; VACANCIES.]** *The membership terms, compensation, removal of members, and filling of vacancies on the board are as provided in section 15.0575. No individual may serve for more than two consecutive terms.*

(d) **[OFFICERS, RULES.]** *At its first meeting, the board shall elect a voting member of the board as chairman. The board shall also elect other officers necessary for the conduct of its affairs. The board shall adopt rules governing its operations and the conduct of its meetings. The rules shall provide for the terms of the chairman and other officers.*

(e) **[MEETINGS.]** *The board shall meet as often as is necessary, not less than twice annually, in order to act expeditiously on requests submitted to it for selection of primary designers.*

(f) **[OFFICE, STAFF, RECORDS.]** *The department of administration shall provide the board with suitable quarters to maintain an office, hold meetings, and keep records. The commissioner shall designate an employee of the department of administration to serve as executive secretary to the board and*



shall furnish a secretarial staff to the board as necessary for the expeditious conduct of the board's duties and responsibilities.

**Subd. 3. [AGENCIES MUST REQUEST DESIGNER.]** (a) [APPLICATION.] Upon undertaking a project with an estimated cost greater than \$400,000 or a planning project with estimated fees greater than \$35,000, every user agency, except the capitol area architectural and planning board, shall submit a written request for a primary designer for its project to the commissioner, who shall forward the request to the board. The written request must include a description of the project, the estimated cost of completing the project, a description of any special requirements or unique features of the proposed project, and other information which will assist the board in carrying out its duties and responsibilities set forth in this section.

(b) [REACTIVATED PROJECT.] If a project for which a designer has been selected by the board becomes inactive, lapses, or changes as a result of project phasing, insufficient appropriations, or other reasons, the commissioner or the University of Minnesota may, if the project is reactivated, retain the same designer to complete the project.

(c) [FEE LIMIT REACHED AFTER DESIGNER SELECTED.] If a project initially estimated to be below the cost and planning fee limits of this subdivision has its cost or planning fees revised so that the limits are exceeded, the project must be referred to the board for designer selection even if a primary designer has already been selected. In this event, the board may, without conducting interviews, elect to retain the previously selected designer if it determines that the interests of the state are best served by that decision and shall notify the commissioner of its determination.

**Subd. 4. [DESIGNER SELECTION PROCESS.]** (a) [PUBLICITY.] Upon receipt of a request from a user agency for a primary designer, the board shall publicize the proposed project in order to determine the identity of designers interested in the design work on the project. The board shall establish criteria for the selection process and make this information public, and shall compile data on and conduct interviews of designers. The board's selection criteria must include consideration of each interested designer's performance on previous projects for the state or any other person. Upon completing the process, the board shall select the primary designer and shall state its reasons in writing. Notification to the commissioner of the selection shall be made not more than 60 days after receipt from a user agency of a request for a primary designer. The commissioner shall promptly notify the designer and the user agency. The commissioner shall negotiate the designer's fee and prepare the contract to be entered into between the designer and the user agency.

(b) [CONFLICT OF INTEREST.] *The board may not select a designer or firm in which a member of the designer selection board has a current financial interest.*

(c) [SELECTION BY COMMISSIONER.] *In the event the board receives a request for a primary designer on a project, the estimated cost of which is less than the limit established by subdivision 3, or a planning project with estimated fees of less than the limit established by subdivision 3, the board may submit the request to the commissioner of administration, with or without recommendations, and the commissioner shall thereupon select the primary designer for the project.*

(d) [SECOND SELECTION.] *If the designer selected for a project declines the appointment or is unable to reach agreement with the commissioner on the fee or the terms of the contract, the commissioner shall, within 60 days after the first appointment, request the board to make another selection.*

(e) [SIXTY DAYS TO SELECT.] *If the board fails to make a selection and forward its recommendation to the commissioner within 60 days of the user agency's request for a designer, the commissioner may appoint a designer to the project without the recommendation of the board.*

(f) [LESS THAN SATISFACTORY PERFORMANCE.] *The commissioner, or the University of Minnesota for projects under its supervision, shall forward to the board a written report describing each instance in which the performance of a designer selected by the board or the commissioner has been less than satisfactory. Criteria for determining satisfaction include the ability of the designer to complete design work on time, to provide a design responsive to program needs within the constraints of the budget, to solve design problems and achieve a design consistent with the proposed function of the building, to avoid costly design errors or omissions, and to observe the construction work. These reports are public data and are available for inspection under section 13.03.*

Sec. 36. [16B.34] [INMATE LABOR.]

*At a state institution or state park or in the maintenance of a state armory, an appropriation for construction, improvements, or maintenance may be expended through the use of inmate or project labor when authorized by the commissioner with the concurrence of the head of the interested state department.*

Sec. 37. [16B.35] [ART IN STATE BUILDINGS.]

*Subdivision 1. [PERCENT OF APPROPRIATIONS FOR ART.] An appropriation for the construction or alteration of any state building may contain an amount not to exceed one per-*

cent of the total appropriation for the building for the acquisition of works of art, excluding landscaping, which may be an integral part of the building or its grounds, attached to the building or grounds or capable of being displayed in other state buildings. Money used for this purpose is available only for the acquisition of works of art to be exhibited in areas of a building or its grounds accessible, on a regular basis, to members of the public. For the purposes of this section "state building" means a building the construction or alteration of which is paid for wholly or in part by the state.

**Subd. 2. [EXEMPT BUILDINGS.]** A building for which the appropriation is less than \$500,000 for construction or alteration or a building for which the commissioner of administration has determined that this section is inappropriate is exempt from the requirements of this section.

**Subd. 3. [UNUSED FUNDS.]** If an amount made available under subdivision 1 is not expended for works of art for the building, the unexpended portion is available to the Minnesota board of the arts for the commission or purchase of works of art for state buildings existing or for which an appropriation was made prior to June 15, 1983, and is not available to pay construction costs of the building.

## SERVICES TO STATE AGENCIES

### Sec. 38. [16B.36] [INVESTIGATIONS.]

**Subdivision 1. [AUTHORITY.]** The commissioner may examine, investigate, or make a survey of the organization, administration, and management of state agencies and institutions under their control, to secure greater efficiency and economy through reorganization or consolidation of agencies or functions and to eliminate duplication of function, effort, or activity, so far as possible.

**Subd. 2. [HEARINGS.]** The commissioner shall recommend to the legislature any necessary changes in the laws of the state as a result of a survey or investigation, or otherwise, in order to secure a better organization of the state government or greater efficiency and economy in administration. For this purpose, the commissioner may hold hearings, and issue subpoenas for and compel the attendance of witnesses, the giving of testimony, and the production of books, records, accounts, documents, and papers, as provided in section 15.08.

### Sec. 39. [16B.37] [REORGANIZATION OF AGENCIES.]

**Subdivision 1. [COMMISSIONER'S AUTHORITY.]** To improve efficiency and avoid duplication, the commissioner may transfer personnel, powers, or duties, or any combination of them, from a state agency to another state agency that has been

*in existence for at least one year prior to the date of transfer. A transfer must have received the prior approval of the governor. The commissioner shall no later than January 15 of each year submit to the legislature a bill making all statutory changes required by reorganization orders issued by the commissioner during the preceding calendar year.*

*Subd. 2. [REORGANIZATION ORDER.] A transfer made pursuant to subdivision 1 must be in the form of a reorganization order. A reorganization order must be filed with the secretary of state, be uniform in format, and be numbered consecutively. An order is effective upon filing with the secretary of state and remains in effect until amended or superseded. Copies of the filed order must be delivered promptly by the commissioner to the secretary of the senate, the chief clerk of the house, and the chairmen of the governmental operations committees in the senate and house of representatives. A reorganization order which transfers all or substantially all of the powers or duties or personnel of a department, the housing finance agency, or the pollution control agency is not effective until it is ratified by concurrent resolution or enacted into law.*

*Subd. 3. [APPROPRIATION.] The commissioner of finance shall determine the fractional part of the appropriation to the transferor agency that is represented by the transferred personnel, power, or duty, and that part of the appropriation is reappropriated to the transferee agency.*

*Subd. 4. [WORK OF DEPARTMENT FOR ANOTHER.] To avoid duplication and improve efficiency, the commissioner may direct an agency to do work for another agency or may direct a division or section of an agency to do work for another division or section within the same agency and shall require reimbursement for the work. Reimbursements received by an agency are reappropriated to the account making the original expenditure in accordance with the transfer warrant procedure established by the commissioner of finance.*

*Subd. 5. [EMPLOYEES ASSIGNED.] With the approval of the governor and by agreement of the heads of the departments or agencies concerned, any appointive subordinate officer or employee of a department or agency may be employed by or assigned to perform duties under another department or agency.*

**Sec. 40. [16B.38] [DISSOLVED OR SUSPENDED AGENCIES.]**

*The commissioner shall undertake all necessary administrative functions of an agency which has been temporarily or permanently dissolved or suspended. These functions may include but are not limited to: authorizing payment of all obligations of the dissolved or suspended agency including payroll certifications; serving as custodian for and disposing of all property of the*

agency; and, in the event that the agency is only temporarily dissolved or suspended, serving as its chief administrative officer with all necessary powers until the agency is reconstituted. To implement these responsibilities the commissioner may spend any necessary money from a dissolved or suspended agency's appropriation.

Sec. 41. [16B.39] [PROGRAMS FOR STATE EMPLOYEES.]

*Subdivision 1. [STATE EMPLOYEES SUGGESTION BOARD.] The state employees suggestion board is composed of seven members appointed by the governor, each of whom is a state officer or employee. The board shall annually elect a member to be chairman. For the purposes of this section, "board" means the state employees suggestion board. The membership terms, expenses, removal of members, and filling of vacancies on the board are as provided in section 15.0575. Members do not receive the daily compensation provided by section 15.0575. The board shall formulate, establish, and maintain plans to encourage and reward unusual and meritorious suggestions and accomplishments by state employees promoting efficiency and economy in state government; appoint committees to consider suggestions and accomplishments of state employees and make recommendations on them to the board; and render merit awards to state employees, which may include certificates, medals and other appropriate insignia, and cash awards, in accordance with the board's plans. The commissioner shall assign for the use of the board the personnel, facilities, and equipment required for the proper performance of its work. The commissioner, on behalf of the board, may require assistance from any state department of any of its personnel and facilities.*

*Subd. 2. [EMPLOYEE ASSISTANCE PROGRAM; ADVISORY COMMITTEE.] The commissioner shall provide an employee assistance program of training, diagnostic, and referral services for state employees and their dependents. The commissioner shall appoint an advisory committee on state employee assistance of not more than 15 members to advise the commissioner on the program. The committee is subject to the provisions of section 15.059.*

Sec. 42. [16B.40] [ADMINISTRATION OF STATE COMPUTER FACILITIES.]

*Subdivision 1. [DEFINITIONS.] For the purposes of sections 42 to 47, the following terms have the meanings given them.*

(a) "Computer activity" means the development or acquisition of a data processing device or system.

(b) "Data processing device or system" means any equipment or computer programs, including computer hardware, firmware, software, and communication protocol, used in connection with the processing of information via electronic data processing means, and includes data communication devices used in connection with computer facilities for the transmission of data.

**Subd. 2. [COMMISSIONER'S RESPONSIBILITY.]** *The commissioner is charged with integrating and operating the state's computer facilities to serve the needs of the state government. Except as otherwise provided by law, all plans and programs for systems and procedures analysis, information systems, and related computer efforts of agencies must be submitted to the commissioner prior to implementation for review and approval, modification, or rejection. The commissioner, after consulting the intergovernmental information systems advisory council, shall:*

(1) *design and maintain a master plan for information systems in the state and its political subdivisions and shall report on the plan to the governor and legislature at the beginning of each regular session;*

(2) *establish standards for information systems;*

(3) *maintain a library of systems and programs developed by the state and its political subdivisions for use by agencies of government; and*

(4) *administer the communications for the state information system.*

**Subd. 3. [EVALUATION PROCEDURE.]** *The commissioner shall establish and, as necessary, update and modify procedures to evaluate computer activities proposed by state agencies. The evaluation must include the necessity, design and plan for development, ability to meet user requirements, feasibility, and flexibility, of the proposed data processing device or system, its relationship to other state data processing devices or systems, and its costs and benefits when considered by itself and when compared with alternative solutions.*

**Subd. 4. [EVALUATION AND APPROVAL REQUIREMENTS.]** *A state agency may not undertake a computer activity until the activity has been evaluated according to the procedures developed under subdivision 3 and the commissioners of administration and finance have given written approval of the proposed activity. If a proposed computer activity is not approved, the commissioner of finance shall cancel the unencumbered balance of any appropriation allotted for the activity. The commissioners of administration and finance may delegate their respective approval powers regarding computer activities*

*to the head of another agency including the agency seeking approval if delegation is deemed appropriate.*

*Subd. 5. [REPORT TO LEGISLATURE.] If a proposed computer activity is approved, the commissioners of administration and finance shall submit to the legislature a concise narrative explanation of the computer activity and a request for any additional appropriation necessary to complete the activity.*

*Subd. 6. [SYSTEM DEVELOPMENT METHODOLOGY.] The commissioner shall establish and, as necessary, update and modify a methodology for the development of approved data processing systems by state agencies. The development methodology shall be used to define the design, programming, and implementation of approved data processing systems. The development methodology shall also enable and require a data processing system to be defined in terms of its computer programs, input requirements, output formats, administrative procedures, and processing frequencies.*

*Subd. 7. [SYSTEM DEVELOPMENT METHODOLOGY REQUIREMENTS.] A state agency may not develop, improve, or modify a data processing system using any methodology other than that established by the commissioner.*

*Subd. 8. [DATA SECURITY SYSTEMS.] In consultation with the attorney general and appropriate agency heads, the commissioner shall develop, install, and administer state data security systems consistent with state law to assure the integrity of computer based and all other data and to assure confidentiality of the data, consistent with the public's right to know.*

*Subd. 9. [JOINT ACTIONS.] The commissioner may, within available funding, join with the federal government, other states, local governments, and organizations representing those groups either jointly or severally in the development and implementation of systems analysis, information services, and computerization projects.*

**Sec. 43. [16B.41] [STATE INFORMATION SYSTEMS ADVISORY TASK FORCE.]**

*The commissioner may appoint a state information systems advisory task force to help the department develop and coordinate a state information services master plan and make recommendations to the commissioner concerning the progress, direction, and needs of the state's computerization effort. The task force expires and the terms, compensation, and removal of members are as provided in section 15.059.*

**Sec. 44. [16B.42] [INTERGOVERNMENTAL INFORMATION SYSTEMS ADVISORY COUNCIL.]**

*Subdivision 1. [COMPOSITION.] The governor shall appoint an intergovernmental information systems advisory council, to serve at the pleasure of the governor, consisting of 25 members. Fourteen members shall be appointed or elected officials of local governments, seven shall be representatives of state agencies, and four shall be selected from the community at large. Further, the council shall be composed of (1) two members from each of the following groups: counties outside of the seven county metropolitan area, cities of the second and third class outside the metropolitan area, cities of the second and third class within the metropolitan area, and cities of the fourth class; (2) one member from each of the following groups: the metropolitan council, an outstate regional body, counties within the metropolitan area, cities of the first class, school districts in the metropolitan area, and school districts outside the metropolitan area; (3) one member each from the state departments of administration, education, public welfare, revenue, planning and the legislative auditor; (4) one member from the office of the state auditor; and (5) four members from the state community at large. To the extent permitted by available resources the commissioner shall furnish staff and other assistance as requested by the council. The council shall expire and the terms, compensation, and removal of members of the advisory council shall be as provided in section 15.059.*

*Subd. 2. [DUTIES.] The council shall assist the commissioner in developing and updating intergovernmental information systems, including data definitions, format, and retention standards; recommend to the commissioner policies and procedures governing the collection, security, and confidentiality of data; review intergovernmental information and computer systems involving intergovernmental funding; encourage cooperative efforts among local governments in developing information systems to meet individual and collective, operational, and external needs; bring about the necessary degree of standardization consistent with local prerogatives; yield fiscal and other information required by state and federal laws and regulations in readily usable form; foster the efficient use of available federal, state, local, and private resources for the development of systems; keep local governments abreast of the state of the art in information systems, and prepare guidelines for intergovernmental systems.*

*Subd. 3. [OTHER DUTIES.] The intergovernmental information systems advisory council shall (1) recommend to the commissioners of state departments, the legislative auditor, and the state auditor a method for the expeditious gathering and reporting of information and data between agencies and units of local government in accordance with cooperatively developed standards; (2) elect an executive committee, not to exceed seven members from its membership; (3) develop an annual plan, to include administration and evaluation of grants, in compliance with applicable rules; (4) provide technical information systems*



assistance or guidance to local governments for development, implementation, and modification of automated systems, including formation of consortiums for those systems.

Subd. 4. [FUNDING.] Appropriations and other funds made available to the council for staff, operational expenses, and grants must be administered through the department of administration. Revenues derived from royalties, reimbursements, or other fees from software programs, systems, or technical services arising out of activities funded by current or prior state appropriations is appropriated to the council for the purposes enumerated in subdivision 2.

Sec. 45. [16B.43] [EDUCATION MANAGEMENT INFORMATION SYSTEMS.]

Subdivision 1. [APPLICATION.] The authority of the commissioner under sections 42 to 44, 46, and 47 does not apply to ESV-IS but applies to SDE-IS and computer-related services provided to the department of education by the Department of administration's information services bureau. For purposes of this section, "ESV-IS" and "SDE-IS" have the meanings given them in section 121.93.

Subd. 2. [FURNISHING STAFF AND ASSISTANCE.] To the extent permitted by available resources, the commissioner may furnish staff and other assistance to the department, the state board, the ESV computer council, and the Minnesota educational computing consortium in conjunction with their performance of the duties imposed by sections 121.931 to 121.938.

Sec. 46. [16B.44] [MODIFICATION OF OPERATING AND MANAGEMENT PROCEDURES.]

When improved program effectiveness, better use of services, and greater efficiency and economy in state government can be demonstrated, the commissioner with the approval of the governor may require a state agency to adjust its operating and management procedures to take advantage of improved systems, procedures, and methods resulting from systems analysis and information science technology.

Sec. 47. [16B.45] [FUNCTION OF LEGISLATIVE AUDITOR.]

The legislative auditor may conduct performance evaluations of all systems analysis, information services, and computerization efforts of agencies, the University of Minnesota, and metropolitan boards, agencies, and commissions. Upon request of the governing body or the state information systems advisory council, the legislative auditor shall conduct the same services for political subdivisions of the state and report the findings to the

*governor and the legislature. The cost of these evaluations must be paid by the agencies being evaluated.*

**Sec. 48. [16B.46] [TELECOMMUNICATION; POWERS.]**

*The commissioner shall supervise and control all state telecommunication facilities including any transmission, emission, or reception of signs, signals, writing, images, and sounds or intelligence of any nature by wire, radio, optical, or other electromagnetic systems. Nothing in this section modifies, amends, or abridges any powers and duties presently vested in or imposed upon the commissioner of transportation or the commissioner of public safety relating to telecommunications facilities or the commissioner of transportation relating only to radio air navigation facilities or other air navigation facilities.*

**Sec. 49. [16B.47] [MICROGRAPHICS.]**

*The commissioner shall provide micrographics services and products to meet agency needs. Within available resources, the commissioner may also provide micrographic services to political subdivisions. Agency plans and programs for micrographics must be submitted to and receive the approval of the commissioner prior to implementation. Upon the commissioner's approval, subsidiary or independent microfilm operations may be implemented in other state agencies. The commissioner may direct that copies of official state documents be distributed to official state depositories on microfilm.*

**Sec. 50. [16B.48] [GENERAL SERVICES AND COMPUTER SERVICES REVOLVING FUNDS.]**

*Subdivision 1. [REIMBURSEMENTS.] Fees prescribed pursuant to section 53, for the rendering of the services provided in that section are deposited in the state treasury by the collecting agency and credited to the general services revolving fund.*

*Subd. 2. [PURPOSE OF FUNDS.] Money in the state treasury credited to the general services revolving fund and money which is deposited in the fund is appropriated annually to the commissioner for the following purposes:*

- (1) to operate a central store and equipment service;*
- (2) to operate a central duplication and printing service;*
- (3) to purchase postage and related items and to refund postage deposits as necessary to operate the central mailing service;*
- (4) to operate a documents service as prescribed by section 53; and*

(5) to perform services for any other agency. Money shall be expended for this purpose only when directed by the governor. The agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment, and other articles and things used by or furnished to an agency; and utility services, and other services for the maintenance, operation, and upkeep of buildings and offices of the state government.

**Subd. 3. [COMPUTER SERVICES REVOLVING FUND.]** Money in the computer services revolving fund is appropriated annually to the commissioner to operate the division of computer services.

**Subd. 4. [REIMBURSEMENTS.]** Except as specifically provided otherwise by law, each agency shall reimburse the computer services and general services revolving funds for the cost of all services, supplies, materials, labor and depreciation of equipment including reasonable overhead costs which the commissioner is authorized and directed to furnish an agency. The cost of all publications or other materials produced by the commissioner and financed from the general services revolving fund shall include reasonable overhead costs. The commissioner of finance shall make appropriate transfers to the revolving funds described in this section when requested by the commissioner of administration. The commissioner of administration may make allotments, encumbrances, and, with the approval of the commissioner of finance, disbursements in anticipation of such transfers. In addition, the commissioner of administration, with the approval of the commissioner of finance, may require an agency to make advance payments to the revolving funds in this section sufficient to cover the agency's estimated obligation for a period of at least 60 days. All such reimbursements and other money received by the commissioner of administration under this section shall be deposited in the appropriate revolving fund. Any earnings remaining in the fund established to account for the documents service prescribed by section 53 at the end of each fiscal year not otherwise needed for present or future operations, as determined by the commissioners of administration and finance, shall be transferred to the general fund.

**Subd. 5. [LIQUIDATION.]** If the computer services or general services revolving fund is abolished or liquidated, the total net profit from the operation of each fund shall be distributed to the various funds from which purchases were made. The amount to be distributed to each fund shall bear to such net profit the same ratio as the total purchases from each fund bears to the total purchases from all the funds during such period of time as shall fairly reflect the amount of net profit each fund is entitled to receive under the distribution required by this section.

## CENTRAL SERVICES

## Sec. 51. [16B.49] [CENTRAL MAILING SYSTEM.]

*The commissioner shall maintain and operate for agencies a central mailing system. Official mail of an agency occupying quarters either in the capitol or in adjoining state buildings must be delivered unstamped to the central mailing station. Account must be kept of the postage required on that mail, which is then a proper charge against the agency delivering the mail. To provide funds for the payment of postage, each agency shall make advance payments to the commissioner sufficient to cover its postage obligations for at least 60 days.*

## Sec. 52. [16B.50] [CENTRAL DUPLICATING AND PRINTING DIVISION.]

*The commissioner shall maintain and operate for agencies a central duplicating and printing division which is responsible for all duplicating and printing. The commissioner shall prescribe and designate classes of state printing. The duplicating and printing work to be done by the division is restricted to producing any form, booklet or pamphlet to the extent the commissioner deems appropriate.*

## Sec. 53. [16B.51] [AGENCY REPORTS.]

*Subdivision 1. [SUPERVISION BY COMMISSIONER.] The commissioner shall supervise and control the making and distribution of all reports and other publications of all kinds issued by the state and state agencies when not otherwise prescribed by law. The commissioner shall also prescribe the manner and form of issuing reports required by sections 8.08; 16A.50; 35.03; 139.08, subdivision 5; 256.01; 268.12, subdivision 2; 299C.18; 343.08; and 360.015, subdivision 17.*

*Subd. 2. [PRESCRIBE FEES.] The commissioner may prescribe fees to be charged for services rendered by the state or an agency in furnishing to those who request them certified copies of records or other documents, certifying that records or documents do not exist and furnishing other reports, publications, or related material which is requested. The fees, unless otherwise prescribed by law, may be fixed at the market rate. The commissioner of finance is authorized to approve the prescribed rates for the purpose of assuring that they, in total, will result in receipts greater than costs in the fund. Fees prescribed under this subdivision are deposited in the state treasury by the collecting agency and credited to the general services revolving fund. Nothing in this subdivision permits the commissioner of administration to furnish any service which is now prohibited or unauthorized by law.*

*Subd. 3. [SALE OF PUBLICATIONS.] The commissioner may sell official reports, documents, and other publications of all kinds, may delegate their sale to state agencies, and may establish facilities for their sale within the department of administration and elsewhere within the state service.*

*Subd. 4. [EXCEPTIONS.] This section does not apply to the Regents of the University of Minnesota or to the state agricultural society.*

*Subd. 5. [LIMITATIONS ON SUBJECT MATTER PROHIBITED.] The commissioner may not adopt rules which limit in any way the subject matter of a report or publication which the law requires or authorizes an agency to produce.*

**Sec. 54. [16B.52] [MISUSE OF STATE PUBLICATIONS.]**

*Subdivision 1. [PERMISSIBLE PUBLICATIONS; PICTURES.] No elected, administrative, or executive state officer, may have printed, nor may the commissioner authorize the printing of, at government expense, official reports and other publications intended for general public circulation except those authorized by law or included in the intent of the appropriation out of which the cost will be defrayed. Executive officers shall, before presenting their annual reports and other publications to the commissioner, examine them and exclude from them pictures of elected and administrative officials, and any other pictorial device calculated to or tending to attribute the publication to an individual instead of the department of state government from which it emanates. All other engravings, maps, drawings and illustrations must be excluded from the reports and publications, except those the executive officers certify when they present the reports for printing to be necessary and to relate entirely to the transaction of the state's business, or to be reasonably required to present for clear understanding the substance of the report.*

*Subd. 2. [ATTRIBUTION OF PUBLICATIONS.] A report or publication authorized by law and paid for from public funds must carry the imprimatur of the agency under whose authority it is issued, but it may not carry the name of an official in any way that might imply attributing the publication to any person, except where certification of the officer is required for authenticity of the document.*

*Subd. 3. [DISTRIBUTION.] No report or publication distributed by or from an administrative or executive officer may contain any notice that it is sent with "the compliments" and may not carry letters of personal greeting from an official.*

*Subd. 4. [EXCEPTION.] This section does not apply to the legislative manuals provided for in chapter 5.*

*Subd. 5. [PUBLICATIONS BY DEPARTMENT OF ADMINISTRATION.] Notwithstanding the provisions of this section or any other law relating to the subject matter of this section, the department of administration may continue to publish reports, documents, and related materials of the same manner described in its catalogs of Minnesota state publications.*

**Sec. 55. [16B.53] [SALE OF LAWS AND RESOLUTIONS.]**

*Subdivision 1. [AUTHORITY.] The commissioner shall provide for the sale and distribution of copies of laws and resolutions on file in the office of the secretary of state in accordance with this section. The secretary of state and the revisor of statutes shall cooperate with the commissioner in furnishing the services provided for in this section.*

*Subd. 2. [CHARGES.] The commissioner shall establish charges for those laws and resolutions sufficient to cover their cost. Fees established for the sale and distribution of laws and resolutions, including mailing and postage charges, may be accepted by the commissioner in advance, and any unused portions amounting to \$1 or more may be returned to the person entitled to them upon request, notwithstanding the provision of any other law prohibiting refunds.*

*Subd. 3. [REVOLVING FUND.] Money collected by the commissioner under this section must be deposited in the central services revolving fund in the state treasury. Money in that fund is annually appropriated to the commissioner for the purposes of carrying out this section.*

## VEHICLES

**Sec. 56. [16B.54] [CENTRAL MOTOR POOL, ESTABLISHMENT.]**

*Subdivision 1. [MOTOR POOLS.] The commissioner shall manage a central motor pool of passenger motor vehicles and trucks used by state agencies with principal offices in the city of St. Paul and may provide for branch central motor pools at other places within the state. For purposes of this section, "truck" means a pickup or panel truck up to one ton carrying capacity.*

*Subd. 2. [VEHICLES.] (a) [ACQUISITION FROM AGENCY; APPROPRIATION.] The commissioner may direct an agency to transfer to him a passenger motor vehicle or truck presently assigned to it for the central motor pool. The commissioner shall reimburse an agency whose motor vehicles have been paid for with funds dedicated by the constitution for a special purpose and which are assigned to the central motor pool. The amount of reimbursement for a motor vehicle is its average*

wholesale price as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(b) [PURCHASE.] To the extent that funds are available for the purpose, the commissioner may purchase or otherwise acquire additional passenger motor vehicles and trucks necessary for the central motor pool. The title to all motor vehicles assigned to or purchased or acquired for the central motor pool is in the name of the department of administration.

(c) [TRANSFER AT AGENCY REQUEST.] On the request of an agency, the commissioner may transfer to the central motor pool any passenger motor vehicle or truck for the purpose of disposing of it. The department or agency transferring the vehicle or truck shall be paid for it from the motor pool revolving account established by this section in an amount equal to two-thirds of the average wholesale price of the vehicle or truck as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(d) [VEHICLES; MARKING.] The commissioner shall provide for the uniform marking of all motor vehicles. Motor vehicle colors must be selected from the regular color chart provided by the manufacturer each year. The commissioner may further provide by rule for the use of motor vehicles without uniform coloring or marking by the governor, the lieutenant governor, the division of criminal apprehension, arson investigators of the division of fire marshal in the department of public safety, and the office of the attorney general.

Subd. 3. [RESPONSIBLE PERSON; PERSONNEL.] The commissioner is responsible for the control, regulation, acquisition, operation, maintenance, repair, and disposal of all motor vehicles of the central motor pool. The commissioner may employ a director and other necessary classified employees for the operation of the central motor pool in accordance with chapter 43A.

Subd. 4. [MAINTENANCE, REPAIR, AND STORAGE; APPROPRIATION.] (a) [MAINTENANCE, REPAIR, STORAGE.] The commissioner may contract with the head of an agency or another person operating facilities for the maintenance, repair, and storage of motor vehicles to provide for maintenance, repair, and storage of motor vehicles of the central motor pool.

(b) [APPROPRIATION.] Money received by the head of an agency under a contract with the commissioner under this subdivision is annually appropriated to the agency for the same purposes as money expended by the agency head for the operation of state-owned facilities for the maintenance, repair, and storage of motor pool vehicles.

*Subd. 5. [USE OF MOTOR VEHICLES.] The motor vehicles in the central motor pool are for official state business only. An agency requiring the services of a motor vehicle shall request it from the central motor pool on either a temporary or permanent basis. No privately owned motor vehicle may be used for official state business except when authorized by the commissioner.*

*Subd. 6. [SCHEDULE OF CHARGES.] An agency using the facilities of the central motor pool shall periodically reimburse the commissioner for the services, in accordance with the schedule of charges the commissioner establishes. This schedule of charges must be based on the costs incurred in operating the central motor pool, including reasonable overhead costs, vehicle depreciation, insurance for public liability and property damage, and other costs. The commissioner must retain records and reports and all schedules used as a basis for charging state agencies for the services furnished.*

*Subd. 7. [EXCEPTIONS.] This section does not apply to motor vehicles of the state patrol or the University of Minnesota, or to motor vehicles of any other agency which are specially equipped for the needs of that agency.*

*Subd. 8. [MOTOR POOL REVOLVING ACCOUNT.] (a) [ACCOUNT ESTABLISHED.] Money or reimbursements the commissioner receives from the operation of the central motor pool is deposited in the state treasury and credited to a motor pool revolving account. Money in the account is annually appropriated to the commissioner to carry out this section. The motor pool revolving account may be used to provide material transfer services to agencies.*

*(b) [UNOBLIGATED EXCESS TRANSFERRED.] When the unobligated amount of money in the state treasury credited to the motor pool revolving account exceeds the sum of \$438,000 at the end of any fiscal year, the unobligated amount in excess of \$438,000 must be transferred to the general fund in the state treasury.*

**Sec. 57. [16B.55] [USE OF STATE VEHICLES; COMPENSATION FOR USE OF PERSONAL VEHICLES.]**

*Subdivision 1. [DEFINITION.] For purposes of this section, "state vehicle" means a vehicle owned or leased by the state or loaned to the state.*

*Subd. 2. [PROHIBITED USES.] A state vehicle may be used only for authorized state business. A state vehicle may not be used for transportation to or from the residence of a state employee, except as provided in subdivision 3.*



*Subd. 3. [PERMITTED USES.] A state vehicle may be used by a state employee to travel to or from the employee's residence:*

*(1) on a day on which it may be necessary for the employee to respond to a work-related emergency during hours when the employee is not normally working;*

*(2) if the employee has been assigned the use of a state vehicle for authorized state business on an extended basis, and the employee's primary place of work is not the state work station to which he is permanently assigned;*

*(3) if the employee has been assigned the use of a state vehicle for authorized state business away from the work station to which he is permanently assigned, and the number of miles travelled, or the time needed to conduct the business, will be minimized if the employee uses a state vehicle to travel to the employee's residence before or after travelling to the place of state business.*

*Use of a state vehicle pursuant to this subdivision requires the prior approval of the agency head or the designee of the agency head. Within 15 days of the end of each three-month period, the head of each agency shall report to the commissioner on each case in which a state vehicle is used by an employee of that agency to travel to or from the employee's residence. The commissioner shall specify the form of this report and the information to be included. If no state vehicles have been used for this travel, the head of the state agency shall report this to the commissioner; or*

*(4) if the employee is authorized to participate in a ride-sharing program established by the commissioner pursuant to section 174.257.*

*Subd. 4. [PERSONAL VEHICLES.] No state employee shall be compensated by the state for use of a personal vehicle for travel between the employee's residence and the state work station to which the employee is permanently assigned, except pursuant to a collective bargaining agreement negotiated under chapter 179 or a compensation plan adopted by the commissioner of employee relations under section 43A.05. A collective bargaining agreement or compensation plan may only provide for this compensation in cases in which an employee is called back to work during hours when the employee is not normally working.*

*Subd. 5. [EXCLUSIONS.] Subdivisions 2 to 4 do not apply to the van pooling program established in section 58, to a ride-sharing program established by the department of transportation, to a trooper employed by the state patrol, or to use of a state vehicle by the governor or lieutenant governor.*

*Subd. 6. [ADMINISTRATIVE POLICIES.] The commissioner shall determine when an employee must reimburse the state for use of a state vehicle and the rates of reimbursement. Rates of reimbursement shall cover the full cost to the state for the travel for which reimbursement is required. The commissioner shall also set operating procedures for use of state vehicles. These rules, rates, and operating procedures are not subject to the administrative procedure act. Money received under these rules shall be deposited as nondedicated receipts to the credit of the fund from which the costs of operating the individual vehicles are paid.*

**Sec. 58. [16B.56] [COMMUTER VANS; STATE EMPLOYEES AND SPOUSES; BLIND VENDING OPERATORS.]**

*Subdivision 1. [EMPLOYEE TRANSPORTATION PROGRAM.] (a) [ESTABLISHMENT.] To conserve energy and alleviate traffic congestion around state offices, the commissioner shall, in cooperation with the commissioner of energy and economic development, the commissioner of transportation, and interested nonprofit agencies, establish and operate an employee transportation program using commuter vans with a capacity of not less than seven nor more than 16 passengers. Commuter vans may be used by state employees and blind vending operators to travel between their homes and their work locations, and for personal purposes after working hours, not including partisan political activity. The commissioner shall acquire or lease commuter vans, or otherwise contract for the provision of commuter vans, and shall make the vans available for the use of state employees and blind vending operators in accordance with standards and procedures adopted by the commissioner. The commissioner shall promote the maximum participation of state employees and blind vending operators in the use of the vans.*

*(b) [ADMINISTRATIVE POLICIES.] The commissioner shall adopt standards and procedures under this section without regard to chapter 14. The commissioner shall provide for the recovery by the state of vehicle acquisition, lease, operation, and insurance costs through efficient and convenient assignment of vans, and for the billing of costs and collection of fees. A state employee using a van for personal use shall pay, pursuant to the standards and procedures adopted by the commissioner, for operating and routine maintenance costs incurred as a result of the personal use. Fees collected under this subdivision shall be deposited in the accounts from which the costs of operating, maintaining, and leasing or amortization for the specific vehicle are paid.*

*Subd. 2. [ELIGIBLE PARTICIPANTS.] State and other public employees and their spouses and other people who work in buildings owned or leased by the state are eligible for the employee transportation program established by this section, if*

*the driver and substitute driver of every van pool are state employees and if 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.*

*Subd. 3. [AREAS OF USE.] Use of the vans pursuant to this section is limited to areas not having adequate public transportation between the residences of state employees and blind vending operators and their places of employment.*

*Subd. 4. [EVALUATION.] The commissioner shall at least semiannually inform the metropolitan council and the capitol area architectural and planning board on the operation of the program.*

*Subd. 5. [INSURANCE; LIMITATIONS.] Notwithstanding section 15.31 or any other law to the contrary, the commissioner may purchase, pursuant to this chapter, collision insurance coverage for the commuter vans. Notwithstanding sections 56, subdivision 2, and 168.012, the vans may not be marked. The vans may not be equipped with tax-exempt motor vehicle number plates.*

*Subd. 6. [BLIND VENDING OPERATOR.] "Blind vending operator" means a blind person licensed to operate a vending stand or machine pursuant to section 248.07.*

**Sec. 59. [16B.57] [GASOLINE AND PETROLEUM PRODUCTS, SOURCE OF SUPPLY FOR AGENCIES.]**

*Subdivision 1. [PETROLEUM PRODUCTS FACILITIES.] The commissioner may require a state agency which has facilities for the storage and distribution of gasoline and other petroleum products to furnish gasoline and other petroleum products to any other state agency and shall require payment to compensate for the cost of those products. The commissioner shall prescribe all procedures for the guidance of state agencies in carrying out the requirements of this section.*

*Subd. 2. [APPROPRIATION.] Money paid by one state agency to another to compensate for the cost of products furnished under subdivision 1 is annually appropriated to the state agency which furnishes those products.*

**Sec. 60. [16B.58] [STATE PARKING FACILITIES.]**

*Subdivision 1. [POWERS AND DUTIES OF THE COMMISSIONER.] No person may park a motor vehicle, either privately or publicly owned, upon any parking lot or facility owned or operated by the state except as authorized by this section. The commissioner shall operate and supervise all state parking lots and facilities. He may fix and collect rents, charges,*

or fees in connection with and for the use of any state parking lot or facility within the cities of St. Paul and Minneapolis except for any state lot or facility the control of which is vested by law in a state agency other than the department of administration.

Subd. 2. [RULES.] Copies of the commissioner's rules under this section must be provided to all contract parkers. Each parking lot or facility must be posted with notice of who is entitled to park there.

Subd. 3. [REMOVAL AND IMPOUNDING OF VEHICLES.] A motor vehicle parked on a state parking lot or facility in violation of the rules of the commissioner is a public nuisance and the commissioner shall provide for the abatement of the nuisance by rules, including provision for the removal and impounding of the motor vehicle. The cost of the removal and impounding is a lien against the motor vehicle until paid.

Subd. 4. [VIOLATIONS.] A person, elective or appointed state official, firm, association, or corporation which violates any of the provisions of this section or any rule made by the commissioner under this section is guilty of a misdemeanor.

Subd. 5. [MONEY COLLECTED.] Money collected by the commissioner as rents, charges, or fees in connection with and for the use of a parking lot or facility is appropriated to the commissioner for the purpose of operating, maintaining, and improving parking lots or facilities owned or operated by the state, including providing necessary and suitable uniforms for employees, and to carry out the purposes of this section, except as provided in subdivision 7.

Subd. 6. [LEGISLATIVE PARKING RESOLUTIONS.] The provisions of this section do not affect rules of parking adopted by resolution of the legislature during legislative sessions.

Subd. 7. [SURCHARGE FOR VEHICLES OCCUPIED BY ONE PERSON.] The commissioner shall impose a surcharge of 25 percent for vehicles occupied by only one person parking in a state parking facility in the capitol area, as described by section 15.50, subdivision 2. The revenue from this additional charge shall be placed by the commissioner in a special account. For the benefit of employees employed in the capitol area, the money in the account is appropriated to the commissioner and shall be used by the commissioner to acquire or lease commuter vans pursuant to section 58 and, within limits and upon conditions the commissioner determines to be necessary, to reimburse state agencies for costs resulting from agreements with the metropolitan transit commission or other operators pursuant to section 473.409. The commissioner may adopt rules necessary to administer the provisions of this subdivision, subdivision 5, and section 473.409. The rules may exempt from the surcharge vehicles operated by

persons whom the commissioner determines have job requirements that make car pooling impractical.

Subd. 8. [FEES CHARGED STATE EMPLOYEES.] Notwithstanding any other law to the contrary, the commissioner shall charge state employees for parking facilities which are used by them and furnished for their use pursuant to any lease entered into between the state of Minnesota and the lessor of any privately owned property situated in the seven county metropolitan area.

## STATE BUILDING CODE

Sec. 61. [16B.59] [STATE BUILDING CODE; POLICY AND PURPOSE.]

The state building code governs the construction, reconstruction, alteration, and repair of state-owned buildings and other structures to which the code is applicable. The commissioner shall administer and amend a state code of building construction which will provide basic and uniform performance standards, establish reasonable safeguards for health, safety, welfare, comfort, and security of the residents of this state and provide for the use of modern methods, devices, materials, and techniques which will in part tend to lower construction costs. The construction of buildings should be permitted at the least possible cost consistent with recognized standards of health and safety.

Sec 62. [16B.60] [DEFINITIONS, STATE BUILDING CODE.]

Subdivision 1. [SCOPE.] For the purposes of sections 61 to 75, the terms defined in this section have the meanings given them.

Subd. 2. [CITY.] "City" means a home rule charter or statutory city.

Subd. 3. [MUNICIPALITY.] "Municipality" means a city, county, or town meeting the requirements of section 368.01, subdivision 1, or the University of Minnesota.

Subd. 4. [CODE.] "Code" means the state building code adopted by the commissioner in accordance with sections 61 to 75.

Subd. 5. [AGRICULTURAL BUILDING.] "Agricultural building" means a structure on agricultural land as defined in section 273.13, subdivision 6, designed, constructed, and used to house farm implements, livestock, or agricultural produce or products used by the owner, lessee, and sublessee of the building

and members of their immediate families, their employees, and persons engaged in the pickup or delivery of agricultural produce or products.

*Subd. 6. [PUBLIC BUILDING.] "Public building" means a building and its grounds, the cost of which is paid for by the state, a state agency or governmental subdivision, an agency of a governmental subdivision, or a school district.*

*Subd. 7. [PHYSICALLY HANDICAPPED.] "Physically handicapped" means having sight disabilities, hearing disabilities, disabilities of incoordination, disabilities of aging, or other disabilities that significantly reduce mobility, flexibility, coordination, or perceptiveness.*

*Subd. 8. [REMODELING.] "Remodeling" means deliberate reconstruction of an existing public building in whole or in part in order to bring it up to date in conformity with present uses of the structure and to which other rules on the upgrading of health and safety provisions are applicable.*

**Sec. 63. [16B.61] [GENERAL POWERS OF COMMISSIONER, STATE BUILDING CODE.]**

*Subdivision 1. [ADOPTION OF CODE.] Subject to sections 61 to 75, the commissioner shall by rule establish a code of standards for the construction, reconstruction, alteration, and repair of state-owned buildings, governing matters of structural materials, design and construction, fire protection, health, sanitation, and safety. The code must conform insofar as practicable to model building codes generally accepted and in use throughout the United States. In the preparation of the code, consideration must be given to the existing state-wide specialty codes presently in use in the state. Model codes with necessary modifications and statewide specialty codes may be adopted by reference. The code must be based on the application of scientific principles, approved tests, and professional judgment. To the extent possible, the code must be adopted in terms of desired results instead of the means of achieving those results, avoiding wherever possible the incorporation of specifications of particular methods or materials. To that end the code must encourage the use of new methods and new materials. Except as otherwise provided in sections 61 to 75, the commissioner shall administer and enforce the provisions of those sections.*

*Subd. 2. [ENFORCEMENT BY CERTAIN BODIES.] 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 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 appurte-*

nances and elevators shall be enforced by the department of labor and industry, 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 of the state board of electricity.

**Subd. 3. [SPECIAL REQUIREMENTS.] (a) [SPACE FOR COMMUTER VANS.]** *The code must require that any parking ramp or other parking facility constructed in accordance with the code include an appropriate number of spaces suitable for the parking of motor vehicles having a capacity of seven to 16 persons and which are principally used to provide prearranged commuter transportation of employees to or from their place of employment or to or from a transit stop authorized by a local transit authority.*

**(b) [SMOKE DETECTION DEVICES.]** *The code must require that all dwellings, lodging houses, apartment houses, and hotels as defined in section 299F.362 comply with the provisions of section 299F.362.*

**(c) [DOORS IN NURSING HOMES AND HOSPITALS.]** *The state building code may not require that each door entering a sleeping or patient's room from a corridor in a nursing home or hospital with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.*

**Subd. 4. [REVIEW OF PLANS FOR PUBLIC BUILDINGS.]** *Construction or remodeling may not begin on any public building owned by the state until the plans and specifications of the public building have been approved by the commissioner. In the case of any other public building, the plans and specifications must be submitted to the commissioner for review, and within 30 days after his receipt of the plans and specifications, he shall notify the submitting authority of his recommendations if any.*

**Subd. 5. [ACCESSIBILITY.] (a) [PUBLIC BUILDINGS.]** *The code must provide for making public buildings constructed or remodeled after July 1, 1963, accessible to and usable by physically handicapped persons, although this does not require the remodeling of public buildings solely to provide accessibility and usability to the physically handicapped when remodeling would not otherwise be undertaken.*

**(b) [LEASED SPACE.]** *No agency of the state may lease space for agency operations in a nonstate-owned building unless the building satisfies the requirements of the state building code for accessibility by the physically handicapped, or is eligible to display the state symbol of accessibility. This limitation applies to leases of 30 days or more for space of at least 1,000 square feet.*

(c) [MEETINGS OR CONFERENCES.] *Meetings or conferences for the public or for state employees which are sponsored in whole or in part by a state agency must be held in buildings that meet the state building code requirements relating to accessibility for physically handicapped persons. This subdivision does not apply to any classes, seminars, or training programs offered by a state university, the University of Minnesota, or a state community college. Meetings or conferences intended for specific individuals none of whom need the accessibility features for handicapped persons specified in the state building code need not comply with this subdivision unless a handicapped person gives reasonable advance notice of his or her intent to attend the meeting or conference. When sign language interpreters will be provided, meetings or conference sites must be chosen which allow hearing impaired participants to see their signing clearly.*

(d) [EXEMPTIONS.] *The commissioner may grant an exemption from the requirements of paragraphs (b) and (c) in advance if an agency has demonstrated that reasonable efforts were made to secure facilities which complied with those requirements and if the selected facilities are the best available for access for handicapped persons. Exemptions shall be granted using criteria developed by the commissioner in consultation with the council for the handicapped.*

(e) [SYMBOL INDICATING ACCESS.] *The wheelchair symbol adopted by Rehabilitation International's Eleventh World Congress is the state symbol indicating buildings, facilities, and grounds which are accessible to and usable by handicapped persons. In the interests of uniformity, this symbol in its white on blue format is the sole symbol for display in or on all public or private buildings, facilities, and grounds which qualify for its use. The secretary of state shall obtain the symbol and keep it on file. No building, facility, or grounds may display the symbol unless it is in compliance with the rules adopted by the commissioner under subdivision 1. Before any rules are proposed for adoption under this paragraph, the commissioner shall consult with the state council for the handicapped. Rules adopted under this paragraph must be enforced in the same way as other accessibility rules of the state building code.*

(f) [MUNICIPAL ENFORCEMENT.] *Municipalities which have not adopted the state building code may enforce the building code requirements for handicapped persons by either entering into a joint powers agreement for enforcement with another municipality which has adopted the state building code; or contracting for enforcement with an individual certified under section 67, subdivision 3, to enforce the state building code.*



*Subdivision 1. [MUNICIPAL ENFORCEMENT.] The state building code applies statewide and supersedes the building code of any municipality. The state building code does not apply to agricultural buildings except with respect to state inspections required or rulemaking authorized by sections 104.05, 326.244, and 116J.19, subdivision 8. All municipalities shall adopt and enforce the state building code with respect to new construction within their respective jurisdictions.*

*If a city has adopted or is enforcing the state building code on June 3, 1977, or determines by ordinance after that date to undertake enforcement, it shall enforce the code within the city. A city may by ordinance extend the enforcement of the code to contiguous unincorporated territory not more than two miles distant from its corporate limits in any direction. Where two or more noncontiguous cities which have elected to enforce the code have boundaries less than four miles apart, each is authorized to enforce the code on its side of a line equidistant between them. Once enforcement authority is extended extraterritorially by ordinance, the authority may continue to be exercised in the designated territory even though another city less than four miles distant later elects to enforce the code. After the extension, the city may enforce the code in the designated area to the same extent as if the property were situated within its corporate limits.*

*A city which, on June 3, 1977, had not adopted the code may not commence enforcement of the code within or outside of its jurisdiction until it has provided written notice to the commissioner, the county auditor, and the town clerk of each town in which it intends to enforce the code. A public hearing on the proposed enforcement must be held not less than 30 days after the notice has been provided. Enforcement of the code by the city commences on the first day of January in the year following the notice and hearing.*

*Municipalities may provide for the issuance of permits, inspection, and enforcement within their jurisdictions by means which are convenient, and lawful, including by means of contracts with other municipalities pursuant to section 471.59, and with qualified individuals. In areas outside of the enforcement authority of a city, the fee charged for the issuance of permits and inspections for single family dwellings may not exceed the greater of \$100 or .005 times the value of the structure, addition, or alteration. The other municipalities or qualified individuals may be reimbursed by retention or remission of some or all of the building permit fee collected or by other means. In areas of the state where inspection and enforcement is unavailable from qualified employees of municipalities, the commissioner shall train and designate individuals available to carry out inspection and enforcement on a fee basis.*

*Subd. 2. [ENFORCEMENT BY STATE BUILDING INSPECTOR.] If the commissioner determines that a municipal-*

ity is not properly administering and enforcing the state building code as provided in section 73, the commissioner may have the administration and enforcement in the involved municipality undertaken by the state building inspector. The commissioner shall notify the affected municipality in writing immediately upon making the determination, and the municipality may challenge the determination as a contested case before the commissioner pursuant to the administrative procedure act. In municipalities not properly administering and enforcing the state building code, and in municipalities who determine not to administer and enforce the state building code, the commissioner shall have administration and enforcement undertaken by the state building inspector or by another inspector certified by the state. The commissioner shall determine appropriate fees to be charged for the administration and enforcement service rendered. Any cost to the state arising from the state administration and enforcement of the state building code shall be borne by the subject municipality.

Sec. 65. [16B.63] [STATE BUILDING INSPECTOR.]

*Subdivision 1. [APPOINTMENT.]* The commissioner shall appoint a state building inspector who under the direction and supervision of the commissioner shall administer the code.

*Subd. 2. [QUALIFICATIONS.]* To be eligible for appointment as state building inspector an individual must be competent in the field of administration and shall have the experience in building design, construction, and supervision which the commissioner considers necessary.

*Subd. 3. [POWERS AND DUTIES.]* The state building inspector may, with the approval of the commissioner, employ personnel necessary to carry out his function under sections 61 to 75. The state building inspector shall distribute without charge one copy of the code to each municipality within the state. Additional copies shall be made available to municipalities and interested parties for a fee prescribed by the commissioner. The state building inspector shall perform other duties in administering the code assigned to him by the commissioner.

Sec. 66. [16B.64] [APPLICATION OF ADMINISTRATIVE PROCEDURE ACT.]

*Subdivision 1. [APPLICABILITY.]* Subject to this section, the adoption of the code and amendment is subject to the administrative procedure act.

*Subd. 2. [DISTRIBUTION OF INCORPORATIONS BY REFERENCE.]* The commissioner need not publish or distribute those parts of the code which are adopted by reference pursuant to section 14.06.

*Subd. 3. [FILING.] The commissioner shall file one copy of the complete code with the secretary of state, except that all standards referred to in any model or statewide specialty code or any of the modifications of a code need not be filed. All standards referred to in the code must be kept on file and available for inspection in the office of the commissioner.*

*Subd. 4. [HEARINGS.] The commissioner, except in the case of energy conservation standards promulgated or amended pursuant to section 116J.19, subdivision 8, shall hold all state hearings and make all determinations regarding any subject matter dealt with in the code including those in which another state agency proposes to adopt or amend rules which are incorporated by reference into the code or whenever the commissioner proposes to incorporate those rules into the state building code. In no event shall a state agency subsequently authorized to adopt rules involving state building code subject matter proceed to adopt the rules without prior consultation with the commissioner.*

*Subd. 5. [PROPOSED AMENDMENTS; HEARINGS.] Any interested person may propose amendments to the code which may be either applicable to all municipalities or, where it is alleged and established that conditions exist within a municipality which are not generally found within other municipalities, amendments may be restricted in application to that municipality. Notice of public hearings on proposed amendments shall be given to the governing bodies of all municipalities in addition to those persons entitled to notice under the administrative procedure act.*

*Subd. 6. [ADOPTION.] The commissioner shall approve any proposed amendments which he deems to be reasonable in conformity with the policy and purpose of the code and justified under the particular circumstances involved. Upon adoption, a copy of each amendment must be distributed to the governing bodies of all affected municipalities.*

*Subd. 7. [INVESTIGATION AND RESEARCH.] With the approval of the commissioner the state building inspector shall investigate or provide for investigations, or may accept authenticated reports from authoritative sources, concerning new materials or modes of construction intended for use in the construction of buildings or structures, and shall propose amendments to the code setting forth the conditions under which the new materials or modes may be used.*

#### **Sec. 67. [16B.65] [BUILDING OFFICIALS.]**

*Subdivision 1. [APPOINTMENTS.] The governing body of each municipality shall, unless other means are already provided, appoint a person to administer the code who shall be known as a building official. Two or more municipalities may combine in*

*the appointment of a single building official for the purpose of administering the provisions of the code within their communities. In those municipalities for which no building officials have been appointed, the state building inspector, with the approval of the commissioner, may appoint building officials to serve until the municipalities have made an appointment. If the state building inspector is unable to make an appointment he may use whichever state employees or state agencies are necessary to perform the duties of the building official. All costs incurred by virtue of an appointment by the state building inspector or services rendered by state employees must be borne by the involved municipality. Receipts arising from the appointment must be paid into the state treasury and credited to the general fund.*

*Subd. 2. [QUALIFICATIONS.] A building official, to be eligible for appointment, must have the experience in design, construction, and supervision which the commissioner deems necessary and must be generally informed on the quality and strength of building materials, accepted building construction requirements, and the nature of equipment and needs conducive to the safety, comfort, and convenience of building occupants. Each building official must be certified under this section, except that the qualifications outlined in this section are not mandatory regarding any building official in any municipality engaged in the administration of a building code on May 27, 1971, and continuing that function through July 1, 1972.*

*Subd. 3. [CERTIFICATION.] The department of employee relations, with the approval of the commissioner, shall either:*

*(1) prepare and conduct oral, written, and practical examinations to determine if a person is qualified pursuant to subdivision 2 to be a building official, or*

*(2) accept documentation of successful completion of programs of training developed by public agencies, as proof of qualification pursuant to subdivision 2.*

*Upon a determination of qualification under either clause (1) or (2) of this section the commissioner shall issue a certificate to the building official stating that he is certified. Each person applying for examination and certification pursuant to this section shall pay a fee of \$20. The department of employee relations and the commissioner or his designee may establish classes of certification that will recognize the varying complexities of code enforcement in the municipalities within the state. Except as provided by subdivision 2, no person may act as a building official for a municipality unless the department of employee relations and the commissioner determine that he is qualified. The department of employee relations may, with the approval of the commissioner, prepare and conduct educational programs designed to train and assist building officials in car-*

*rying out their responsibilities. The commissioner shall reimburse the department of employee relations for costs of any services performed by them pursuant to this section.*

*Subd. 4. [DUTIES.] Building officials shall, in the municipality for which they are appointed, attend to all aspects of code administration, including the issuance of all building permits and the inspection of all manufactured home installations. The commissioner may direct a municipality with a building official to perform services for another municipality, and in that event the municipality being served shall pay the municipality rendering the services the reasonable costs of the services. The costs may be subject to approval by the commissioner.*

*Subd. 5. [REMOVAL FROM OFFICE.] Except as otherwise provided for by law the commissioner may, upon notice and hearing, direct the dismissal of a building official when it appears to him by competent evidence that the building official has consistently failed to act in the public interest in the performance of his duties. Notice must be provided and the hearing conducted in accordance with the provisions of chapter 14 governing contested case proceedings. Nothing in this subdivision limits or otherwise affects the authority of a municipality to dismiss or suspend a building official at its discretion, except as otherwise provided for by law.*

*Subd. 6. [VACANCIES.] In the event that a certified building official vacates his position within a municipality, that municipality shall appoint a certified building official to fill the vacancy as soon as possible. If the municipality fails to appoint a certified building official within 90 days of the occurrence of the vacancy, the state building inspector may make the appointment or provide state employees to serve that function as provided in subdivision 1.*

**Sec. 68. [16B.66] [CERTAIN INSPECTIONS.]**

*The state building inspector may, upon an application setting forth a set of plans and specifications that will be used in more than one municipality to acquire building permits, review and approve the application for the construction or erection of any building or structure designed to provide dwelling space for no more than two families if the set of plans meets the requirements of the state building code. All costs incurred by the state building inspector by virtue of the examination of the set of plans and specifications must be paid by the applicant. The plans and specifications or any plans and specifications required to be submitted to a state agency must be submitted to the state building inspector who shall examine them and if necessary distribute them to the appropriate state agencies for scrutiny regarding adequacy as to electrical, fire safety, and all other appropriate features. These state agencies shall examine and promptly return the plans and specifications together with their certified state-*

ment as to the adequacy of the instruments regarding that agency's area of concern. A building official shall issue a building permit upon application and presentation to him of a set of plans and specifications bearing the approval of the state building inspector if the requirements of all other local ordinances are satisfied.

Sec. 69. [16B.67] [APPEALS.]

A person aggrieved by the final decision of any municipality as to the application of the code, including any rules adopted under sections 471.465 to 471.469, may, within 30 days of the decision, appeal to the commissioner. Appellant shall submit a fee of \$20, payable to the commissioner, with his request for appeal. The final decision of the involved municipality is subject to review de novo by the commissioner or his designee. The commissioner shall submit his written findings to the parties. Any person aggrieved by a ruling of the commissioner may appeal in accordance with chapter 14. For the purpose of this section "any person aggrieved" includes the state council for the handicapped. No fee shall be required when the council for the handicapped is the appellant.

Sec. 70. [16B.68] [CERTAIN PERMITS.]

Building permits or certificates of occupancy validly issued before July 1, 1972, regarding buildings or structures being constructed or altered according to the permits or certificates, are valid after that date. The construction may be completed according to the building permit, unless the building official determines that life or property is in jeopardy.

Sec. 71. [16B.69] [VIOLATION, PENALTY.]

A violation of the code is a misdemeanor.

Sec. 72. [16B.70] [SURCHARGE.]

*Subdivision 1.* [COMPUTATION.] To defray the costs of administering sections 61 to 75, a surcharge is imposed on all permits issued by municipalities in connection with the construction of or addition or alteration to buildings and equipment or appurtenances after June 30, 1971, as follows:

If the fee for the permit issued is fixed in amount the surcharge is equivalent to 1/2 mill (.0005) of the fee or 50 cents, whichever amount is greater. For all other permits, the surcharge is as follows: (a) if the valuation of the structure, addition, or alteration is \$1,000,000 or less, the surcharge is equivalent to 1/2 mill (.0005) of the valuation of the structure, addition, or alteration; (b) if the valuation is greater than \$1,000,000, the surcharge is \$500 plus two-fifths mill (.0004) of the

value between \$1,000,000 and \$2,000,000; (c) if the valuation is greater than \$2,000,000 the surcharge is \$900 plus three-tenths mill (.0003) of the value between \$2,000,000 and \$3,000,000; (d) if the valuation is greater than \$3,000,000 the surcharge is \$1,200 plus one-fifth mill (.0002) of the value between \$3,000,000 and \$4,000,000; (e) if the valuation is greater than \$4,000,000 the surcharge is \$1,400 plus one-tenth mill (.0001) of the value between \$4,000,000 and \$5,000,000; and (f) if the valuation exceeds \$5,000,000 the surcharge is \$1,500 plus one-twentieth mill (.00005) of the value which exceeds \$5,000,000.

By September 1 of each odd-numbered year, the commissioner shall rebate to municipalities any money received under this section and section 64 in the previous biennium in excess of the cost to the building code division in that biennium of carrying out their duties under sections 61 to 75. The rebate to each municipality must be in proportion to the amount of the surcharges collected by that municipality and remitted to the state. The amount necessary to meet the commissioner's rebate obligations under this subdivision is appropriated to the commissioner from the general fund.

Subd. 2. [COLLECTION AND REPORTS.] All permit surcharges must be collected by each municipality and a portion of them remitted to the state. Each municipality having a population greater than 20,000 people shall prepare and submit to the commissioner once a month a report of fees and surcharges on fees collected during the previous month, but shall retain two percent of the surcharges collected to apply against the administrative expenses the municipality incurs in collecting the surcharges. All other municipalities shall submit the report and surcharges on fees once a quarter, but shall retain four percent of the surcharges collected to apply against the administrative expenses the municipalities incur in collecting the surcharges. The report, which must be in a form prescribed by the commissioner, must be submitted together with a remittance covering the surcharges collected by the 15th day following the month or quarter in which the surcharges are collected. All surcharges and other fees prescribed by sections 61 to 73, which are payable to the state, must be paid to the commissioner who shall deposit them in the state treasury for credit to the general fund.

Sec. 73. [16B.71] [PERMIT FEES, TO WHOM APPLICABLE.]

Municipal building officials shall administer and enforce the state building code with respect to all subject structures constructed within their jurisdiction, including all buildings constructed by the state of Minnesota, its agencies, departments, and instrumentalities, school districts, municipalities as defined in section 62, and the University of Minnesota. These governmental bodies shall pay the building permit fees and surcharges

*that the inspecting municipality customarily imposes for its administration and enforcement of the code.*

**Sec. 74. [16B.72] [REFERENDA ON STATE BUILDING CODE IN NONMETROPOLITAN COUNTIES.]**

*Notwithstanding any other provision of law to the contrary, a county that is not a metropolitan county as defined by section 473.121, subdivision 4, may provide, by a vote of the majority of its electors residing outside of municipalities that have adopted the state building code before January 1, 1977, that no part of the state building code except the building requirements for handicapped persons applies within its jurisdiction.*

*The county board may submit to the voters at a regular or special election the question of adopting the building code. The county board shall submit the question to the voters if it receives a petition for the question signed by a number of voters equal to at least five percent of those voting in the last general election. The question on the ballot must be stated substantially as follows:*

*"Shall the state building code be adopted in . . . . . County?"*

*If the majority of the votes cast on the proposition is in the negative, the state building code does not apply in the subject county, outside home rule charter or statutory cities or towns that adopted the building code before January 1, 1977, except the building requirements for handicapped persons do apply.*

*Nothing in this section precludes a home rule charter or statutory city or town that did not adopt the state building code before January 1, 1977, from adopting and enforcing the state building code within its jurisdiction.*

**Sec. 75. [16B.73] [STATE BUILDING CODE IN MUNICIPALITIES UNDER 2,500; LOCAL OPTION.]**

*The governing body of a municipality whose population is less than 2,500 may provide that the state building code, except the requirements for handicapped persons, will not apply within the jurisdiction of the municipality, if the municipality is located in whole or in part within a county exempted from its application under section 74. If more than one municipality has jurisdiction over an area, the state building code continues to apply unless all municipalities having jurisdiction over the area have provided that the state building code, except the requirements for handicapped persons, does not apply within their respective jurisdictions.*

**Sec. 76.** Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9, is amended to read:



Subd. 9. [EMPLOYEE.] "Employee" means any person who performs services for another for hire including the following:

- (1) an alien;
- (2) a minor;
- (3) a sheriff, deputy sheriff, constable, marshal, policeman, firefighter, county highway engineer, and peace officer while engaged in the enforcement of peace or in the pursuit or capture of any person charged with or suspected of crime and any person requested or commanded to aid an officer in arresting any person, or in retaking any person who has escaped from lawful custody, or in executing any legal process in which case, for purposes of calculating compensation payable under this chapter, the daily wage of the person requested or commanded to assist an officer or to execute a legal process shall be the prevailing wage for similar services where the services are performed by paid employees;
- (4) a county assessor;
- (5) an elected or appointed official of the state, or of any county, city, town, school district or governmental subdivision in it. An officer of a political subdivision elected or appointed for a regular term of office, or to complete the unexpired portion of a regular term, shall be included only after the governing body of the political subdivision has adopted an ordinance or resolution to that effect;
- (6) an executive officer of a corporation, except an officer of a family farm corporation as defined in section 500.24, subdivision 1, clause (c), or an executive officer of a closely held corporation who is referred to in section 176.012;
- (7) a voluntary uncompensated worker, other than an inmate, rendering services in state institutions under the commissioner of public welfare and state institutions under the commissioner of corrections similar to those of officers and employees of these institutions, and whose services have been accepted or contracted for by the commissioner of public welfare or the commissioner of corrections as authorized by law, shall be employees. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;
- (8) a voluntary uncompensated worker engaged in peace time in the civil defense program when ordered to training or

other duty by the state or any political subdivision of it, shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services where the services are performed by paid employees;

(9) a voluntary uncompensated worker participating in a program established by a county welfare board shall be an employee. In the event of injury or death of the voluntary uncompensated worker, the wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid in the county at the time of the injury or death for similar services where the services are performed by paid employees working a normal day and week;

(10) a voluntary uncompensated worker accepted by the commissioner of natural resources who is rendering services as a volunteer pursuant to section 84.089 shall be an employee. The daily wage of the worker for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;

(11) a member of the military forces, as defined in section 190.05, while in state active service, as defined in section 190.05, subdivision 5a. The daily wage of the member for the purpose of calculating compensation payable under this chapter shall be based on the member's usual earnings in civil life. If there is no evidence of previous occupation or earning, the trier of fact shall consider the member's earnings as a member of the military forces;

(12) a voluntary uncompensated worker, accepted by the director of the Minnesota historical society, rendering services as a volunteer, pursuant to chapter 138, shall be an employee. The daily wage of the worker, for the purposes of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of injury or death for similar services where the services are performed by paid employees;

(13) a voluntary uncompensated worker, other than a student, who renders services at the Minnesota School for the Deaf or the Minnesota Braille and Sight-Saving School, and whose services have been accepted or contracted for by the state board of education, as authorized by law, shall be an employee. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(14) a voluntary uncompensated worker, other than a resident of the veterans home, who renders services at a Minnesota veterans home, and whose services have been accepted or contracted for by the commissioner of veterans affairs, as authorized by law, is an employee. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services are performed by paid employees;

(15) a worker who renders in-home attendant care services to a physically handicapped person, and who is paid directly by the commissioner of public welfare for these services, shall be an employee of the state within the meaning of this subdivision, but for no other purpose; and

(16) those students enrolled in and regularly attending the medical school of the University of Minnesota, whether in the graduate school program or the post-graduate program, as provided in section 147.20, notwithstanding that the students shall not be considered employees for any other purpose. In the event of the student's injury or death, the weekly wage of the student for the purpose of calculating compensation payable under chapter 176, shall be the annualized educational stipend awarded to the student, divided by 52 weeks. The institution in which the student is enrolled shall be considered the "employer" for the limited purpose of determining responsibility for paying benefits payable under chapter 176; and

(17) a voluntary uncompensated worker, accepted by the commissioner of administration, rendering services as a volunteer at the department of administration. In the event of injury or death of the voluntary uncompensated worker, the daily wage of the worker, for the purpose of calculating compensation payable under this chapter, shall be the usual going wage paid at the time of the injury or death for similar services in institutions where the services were performed by paid employees.

In the event it is difficult to determine the daily wage as provided in this subdivision, then the trier of fact may determine the wage upon which the compensation is payable.

**Sec. 77. [611.216] [CRIMINAL AND JUVENILE DEFENSE GRANTS.]**

*Subdivision 1. [ELIGIBLE RECIPIENTS.] Money appropriated to provide criminal and juvenile defense to indigent individuals must be distributed by the board of public defense to the nonprofit criminal and juvenile defense corporations designated by law. Money may not be disbursed to a corporation in the Leech Lake reservation area or the White Earth reservation area without prior approval by the respective reservation business*

*committee. Within its geographic area of responsibility each corporation shall accept cases involving felony, gross misdemeanor, and misdemeanor charges and juvenile cases if financial eligibility standards are met, unless there is a legal reason for rejecting a case. A corporation may accept cases arising outside its geographic area of responsibility, as appropriate. Each corporation, in order to insure broad support, shall provide matching money received from nonstate sources, which may include money from federal agencies, local governments, private agencies, and community groups, equal to ten percent of its state appropriation. The board of public defense shall give notice 30 days in advance and conduct a hearing if it has reasonable grounds to believe money appropriated for this purpose is being improperly used, or if it has reasonable cause to believe criminal and juvenile defense of proper quality is not being supplied. Payment must cease from the date of notice until either the board of public defense determines that the money appropriated will be properly handled, or the board of public defense determines that criminal and juvenile defense of proper quality will be provided. A participating corporation may give notice at any time of its withdrawal from this program of financial assistance.*

*Subd. 2. [DISCRIMINATION; PENALTY.] An employee, administrator, or officer of a recipient of the money provided by this section who discriminates on the basis of sex, race, color, national origin, religion, or creed is guilty of a gross misdemeanor.*

*Subd. 3. [REPORT.] Each corporation shall submit to the board of public defense twice each year a report on a form supplied by the council showing the number of clients served, the number of charges brought, the number of cases of each kind, such as felonies, gross misdemeanors, misdemeanors, and juvenile delinquencies, the number of dispositions of each kind, such as jury trials, court trials, plea bargains, and dismissals, and the number of court appearances. This information must be summarized for each corporation in the budget documents submitted to the legislature.*

Sec. 78. Minnesota Statutes 1982, section 645.445, subdivision 5, is amended to read:

Subd. 5. "Socially or economically disadvantaged person" means a person who has been deprived of the opportunity to develop and maintain a competitive position in the economy because of social or economic conditions. This disadvantage may arise from cultural, social or economic circumstances, or background, physical location if the person resides or is employed in an area designated a labor surplus area by the United States department of (COMMERCE) labor, or other similar cause. It includes racial minorities, women, or persons who have suffered a substantial physical disability.

## Sec. 79. [INSTRUCTIONS TO REVISOR.]

*In the following sections of Minnesota Statutes, the revisor of statutes shall change the reference to chapter 16 listed in column B which occurs in the section specified in column A to the new reference listed in column C.*

<i>COLUMN A, Section</i>	<i>COLUMN B, Section</i>	<i>COLUMN C, Section</i>
13.43, subd. 7	16.02, subd. 28	16B.39, subd. 2
14.56	16.125	16B.37
15.44	16.84, subd. 8	16B.60, subd. 7
15.061	16.098	16B.17
15.18	16.02	chapter 16B
16A.131	16.72, subd. 7	16B.58, subd. 7
16A.15	16.07, subd. 1	16B.07, subd. 2
16A.72	16.78	16B.57
85A.03, subd. 4	16.06 and 16.07 and 16.28	16B.07
105.41, subd. 5	16.011	16B.01
105.44, subd. 10	16.011	16B.01
116J.06, subd. 2	16.35	16B.61
116J.19, subd. 8	16.862	16B.66
120.81, subd. 1	16.90	16B.40
120.81, subd. 1	16.94	16B.44
123.73	16.93	chapter 16B
136A.29, subd. 6	16.07	chapter 16B
144.0742	16.098	chapter 16B
161.321, subd. 4	16.083, subds. 2, 3, and 6	16B.19, subds. 2, 3, and 6

179.7411	16.07	16B.07, subd. 1
268.12, subd. 8	16.02	16B.50
299F.011, subd. 4	16.83 to 16.867	16B.59 to 16B.73
299F.015, subd. 2	16.83 to 16.867	16B.59 to 16B.73
299F.391, subd. 3	16.83 to 16.867	16B.59 to 16B.73
326.243	Minnesota Statutes 1965, section 16.85	16B.61
327.32, subd. 7	16.83 to 16.867	16B.59 to 16B.73
471.616, subd. 1	Minnesota Statutes 1971, section 16.07, subds. 1, 2, 4, and 5	16B.07, subds. 1 to 5
473.556, subd. 14	16.081 to 16.084	16B.19 to 16B.22
480.09, subd. 1	16.02	chapter 16B

Sec. 80. [REPEALER.]

Minnesota Statutes 1982, sections 16.01; 16.011; 16.012; 16.014; 16.02, subdivisions 1, 2, 2a, 3, 4, 5, 5a, 6, 6a, 6b, 7, 8, 9, 10, 13, 15, 16, 17, 18, 19, 24, 25, 26, and 27; 16.021; 16.022; 16.023; 16.0231; 16.024; 16.025; 16.026; 16.028; 16.03; 16.04; 16.05; 16.06; 16.061; 16.062; 16.063; 16.064; 16.065; 16.066; 16.068; 16.07; 16.073; 16.075; 16.08; 16.081; 16.082; 16.083, subdivision 2; 16.086, subdivision 2; 16.09; 16.095; 16.096; 16.098, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, and 11; 16.12; 16.125; 16.135; 16.139; 16.172; 16.21; 16.22; 16.23; 16.24; 16.243; 16.244; 16.251; 16.281; 16.32, subdivisions 1, 3, and 4; 16.34; 16.365; 16.381; 16.51; 16.52; 16.53; 16.54; 16.55; 16.56; 16.71; 16.72; 16.723; 16.73; 16.75, subdivisions 1, 2, 3, 4, 5, 6, and 8; 16.753, subdivisions 1, 2, 4, 5, and 6; 16.756; 16.76; 16.77; 16.78; 16.80; 16.81; 16.811; 16.82, subdivision 2; 16.821; 16.822; 16.823; 16.824; 16.825; 16.826; 16.827; 16.83; 16.84; 16.85; 16.851, subdivisions 1 and 2; 16.854; 16.86; 16.861, subdivisions 1, 2, 4, 5, 6, and 7; 16.862; 16.8632; 16.864; 16.865; 16.866, subdivision 2; 16.867; 16.868; 16.869; 16.871; 16.872, subdivisions 1, 2, and 3; 16.874; 16.88; 16.89; 16.90, subdivisions 1, 2, and 3; 16.931; 16.94; 16.95; 16.955; 16.96; and 16.97; and Minnesota Statutes 1983 Supplement, sections 16.02, subdivisions 10a, 14, 28, and 29; 16.072; 16.0721; 16.083, subdivisions 1, 1a, 3, 4, 4a, 4b, 5 and 6; 16.084; 16.085; 16.086, subdivision 1; 16.092; 16.098, subdivision 4; 16.28; 16.32, subdivision 2; 16.321; 16.75, subdivisions 7 and 9; 16.753, subdivision 3; 16.82; subdivision 1; 16.851, subdivision 3; 16.861,

*subdivision 3; 16.863; 16.866, subdivision 1; 16.872; 16.90, subdivision 4; 16.91; and 16.911; are repealed."*

Delete the title and insert:

"A bill for an act relating to state government; recodifying the laws governing the department of administration; allowing the commissioner of administration to transfer to local government units certain supplies, materials, and equipment; allowing the commissioner of administration to charge a price sufficient to cover costs when selling copies of laws and resolutions; allowing the commissioner of administration to lease office space and purchase supplies and equipment without the approval of the governor; allowing the commissioner of administration to provide for the use of certain motor vehicles by the governor and lieutenant governor; relating to the use of state vehicles and compensation for use of personal vehicles; including in the definition of the term "employee" for purposes of workers' compensation a voluntary uncompensated worker accepted by the commissioner of administration; providing for criminal and juvenile defense grants to be administered by the board of public defense; specifying the United States department of labor as the entity which designates a labor surplus area; amending Minnesota Statutes 1982, sections 16A.065; and 645.445, subdivision 5; and Minnesota Statutes 1983 Supplement, section 176.011, subdivision 9; proposing new law coded in Minnesota Statutes, chapters 16A and 611; proposing new law coded as Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1982, sections 16.01; 16.011; 16.012; 16.014; 16.02, subdivisions 1, 2, 2a, 3, 4, 5, 5a, 6, 6a, 6b, 7, 8, 9, 10, 13, 15, 16, 17, 18, 19, 24, 25, 26, and 27; 16.021; 16.022; 16.023; 16.0231; 16.024; 16.025; 16.026; 16.028; 16.03; 16.04; 16.05; 16.06; 16.061; 16.062; 16.063; 16.064; 16.065; 16.066; 16.068; 16.07; 16.073; 16.075; 16.08; 16.081; 16.082; 16.083, subdivision 2; 16.086, subdivision 2; 16.09; 16.095; 16.096; 16.098, subdivisions 1, 2, 3, 5, 6, 7, 8, 9, 10, and 11; 16.12; 16.125; 16.135; 16.139; 16.172; 16.21; 16.22; 16.23; 16.24; 16.243; 16.244; 16.251; 16.281; 16.32, subdivisions 1, 3, and 4; 16.34; 16.365; 16.381; 16.51; 16.52; 16.53; 16.54; 16.55; 16.56; 16.71; 16.72; 16.723; 16.73; 16.75, subdivisions 1, 2, 3, 4, 5, 6, and 8; 16.753, subdivisions 1, 2, 4, 5, and 6; 16.756; 16.76; 16.77; 16.78; 16.80; 16.81; 16.811; 16.82, subdivision 2; 16.821; 16.822; 16.823; 16.824; 16.825; 16.826; 16.827; 16.83; 16.84; 16.85; 16.851, subdivisions 1 and 2; 16.854; 16.86; 16.861, subdivisions 1, 2, 4, 5, 6, and 7; 16.862; 16.8632; 16.864; 16.865; 16.866, subdivision 2; 16.867; 16.868; 16.869; 16.871; 16.872, subdivisions 1, 2, and 3; 16.874; 16.88; 16.89; 16.90, subdivisions 1, 2, and 3; 16.931; 16.94; 16.95; 16.955; 16.96; and 16.97; and Minnesota Statutes 1983 Supplement, sections 16.02, subdivisions 10a, 14, 28, and 29; 16.072; 16.0721; 16.083, subdivisions 1, 1a, 3, 4, 4a, 4b, 5 and 6; 16.084; 16.085; 16.086, subdivision 1; 16.092; 16.098, subdivision 4; 16.28; 16.32, subdivision 2; 16.321; 16.75, subdivisions 7 and 9; 16.753, subdivision 3; 16.82, subdivision 1; 16.851, subdivision 3; 16.861,

subdivision 3; 16.863; 16.866, subdivision 1; 16.872; 16.90, subdivision 4; 16.91; and 16.911; proposing new law coded in Minnesota Statutes, chapters 16A and 611; proposing new law coded as Minnesota Statutes, chapter 16B."

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. 1820, A bill for an act relating to commerce; requiring insurance for motor vehicle service contracts; requiring motor vehicle service contract providers to file certain forms; prohibiting the issuance of motor vehicle service contracts in certain circumstances; authorizing the commissioner of commerce to adopt rules; proposing new law coded in Minnesota Statutes, chapter 65B.

Reported the same back with the following amendments:

Page 2, delete lines 12 to 14 and insert:

*"(7) "Motor vehicle" means any self-propelled vehicle not operated exclusively upon railroad tracks and any vehicle propelled or drawn by a self-propelled vehicle but does not include snowmobiles and manufactured homes."*

Page 2, after line 16, insert:

*"(9) "Motor vehicle service contract administrator" means a person who provides administrative services to motor vehicle service contract providers, including but not limited to: issuing a motor vehicle service contract; reviewing or settling losses arising under the contract; providing or recommending the written contract or form for a contract; providing or recommending advertising or promotional materials."*

Page 2, line 31, delete everything after "will"

Page 2, delete lines 32 to 35 and insert *"pay on behalf of the provider all sums which the provider is legally obligated to pay in the performance of its contractual obligations under the motor vehicle service contracts issued or sold by the provider."*

Page 3, line 2, delete everything after "the"

Page 3, delete lines 3 to 11 and insert *"contract conspicuously states that the obligations of the provider to the service con-*



*tract holder are guaranteed under a service contract reimbursement policy, and unless the contract conspicuously states the name and address of the issuer of the reimbursement policy."*

Page 3, line 18, delete "seciton" and insert "section"

Page 3, after line 28, insert:

*"Subd. 8. [INAPPLICABILITY.] This section does not apply to motor vehicle service contracts issued by a motor vehicle manufacturer, distributor, or importer.*

Sec. 2. [EFFECTIVE DATE.]

*Section 1, subdivision 7 is effective the day following final enactment. Service contract providers and issuers of reimbursement policies shall have until January 1, 1985, to comply with section 1, subdivisions 4 and 5."*

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. 1923, A bill for an act relating to financial institutions; authorizing industrial loan and thrift companies to act as trustees or custodians of certain retirement accounts; authorizing the removal of the bond requirement on the advertisement and sale of certain evidences of indebtedness; allowing special powers without inclusion in articles of incorporation; providing certain conventional loans on the same terms as other lenders; authorizing open-end loans; providing an alternative to filing fee charges; authorizing the deposit of real estate broker and salesperson trust funds in industrial loan and thrifts; amending Minnesota Statutes 1982, sections 47.75, subdivision 1; 48.151; 53.04, subdivision 1; 53.04, by adding a subdivision; 56.131, subdivision 2; 82.24, subdivisions 1, 2, and 6; Minnesota Statutes 1983 Supplement, section 53.04, subdivision 3a; proposing new law coded in Minnesota Statutes, chapter 56.

Reported the same back with the following amendments:

Pages 2 and 3, delete section 2

Page 3, line 18, strike "(3)" and insert "(7)"

Page 4, after line 21, insert:

"Sec. 5. Minnesota Statutes 1983 Supplement, section 53.05, is amended to read:

53.05 [POWERS, LIMITATION.]

No industrial loan and thrift company may do any of the following:

(1) carry commercial or demand banking accounts; use the word "bank" or "banking" in its corporate name; operate as a savings bank;

(2) have outstanding at any one time certificates of indebtedness, savings accounts, and savings deposits, exclusive of those held by the company, as security for loans made by it of more than seven times the sum of the contributed capital and appropriated reserves of the company until July 1, 1985, or the date an industrial loan and thrift company obtains a commitment for insurance or guarantee of accounts acceptable to the commissioner as required by section 53.10, whichever is earlier, and thereafter 15 times the sum of contributed capital and appropriated reserves of the company;

(3) accept trusts, *except as provided in section 1*, or act as guardian, administrator, or judicial trustee in any form;

(4) deposit any of its funds in any banking corporation, unless that corporation has been designated by vote of a majority of directors or of the executive committee present at a meeting duly called, at which a quorum was in attendance;

(5) change any allocation of capital made pursuant to section 53.03 or reduce or withdraw in any way any portion of the contributed capital and appropriated reserves without prior written approval of the commissioner of banks;

(6) take any instrument in which blanks are left to be filled in after execution; or

(7) lend money in excess of ten percent of its contributed capital and appropriated reserves to a person primarily liable. "Contributed capital and appropriated reserves" means the total of the company's contributed capital and appropriated reserves at all its authorized locations.

If a loan has been made to a person primarily liable and payments have been made on a certificate of indebtedness securing it, the amount of the payments may be added to the limitation contained in this clause for the purpose of determining whether additional loans may be made to that person."

Page 4, line 28, after "56.131" insert ", subdivision 1, paragraph (a), clause (2)"

Page 4, line 29, after "licensee" insert "pursuant to written agreement"

Page 4, line 32, after "(2)" insert "the borrower has the option of paying the balance in full at any time without penalty; (3)"

Page 4, line 35, delete "3" and insert "4"

Page 5, line 9, after the period, insert "The daily balance is figured by taking the beginning balance of the account each day, adding any new advances, subtracting any principal payments or credits, and any unpaid interest. The average daily balance is calculated by adding together all of the daily balances for the billing cycle, and the sum is then divided by the total number of days in the billing cycle."

Page 5, line 13, delete "which"

Page 5, line 14, delete everything before the period and insert "after such time as the outstanding balance exceeds \$2,700. A subsequent reduction in the balance below \$2,700 has no effect on the lien"

Page 5, line 23, delete the comma and insert a period

Page 5, delete lines 24 to 27

Page 6, line 1, after "the" insert "amount of the" and delete "must be"

Page 6, line 2, delete "sufficient to pay" and insert "may not exceed"

Page 6, line 4, delete ", whichever is less,"

Page 6, line 12, after "any" insert "credit"

Page 6, line 14, delete the second "and"

Page 6, line 15, delete everything before the period

Page 6, line 19, delete the comma and delete everything after "is" and insert "required"

Page 6, line 20, delete everything before the comma

Page 6, line 21, delete "section" and insert "sections 56.12, and"

Page 6, line 22, after the period, insert "In addition, prior to any licensee taking a lien upon the borrower's homestead, as defined in chapter 510, as security for any open-end loan pursuant to subdivision 2, the borrower shall be provided with a statement in substantially the following form, in bold face type of a minimum size of 12 points, signed and dated by the borrower at the time of the execution of the contract surrendering the homestead exemption, immediately adjacent to a listing of the homestead property: "I understand that some or all of the above real estate is normally protected by law from the claims of creditors, and I voluntarily give up my right to that protection for the above listed property with respect to claims arising out of this contract." "

Page 7, line 19, after "company" insert "with deposit liabilities"

Page 7, line 35, after "53" insert "with deposit liabilities"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 15, delete "48.151;"

Page 1, line 18, delete "section" and insert "sections" and after the semicolon, insert "and 53.05;"

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. 2148, A bill for an act relating to insurance; authorizing the use of smoker and nonsmoker mortality tables; proposing new law coded in Minnesota Statutes, chapter 61A.

Reported the same back with the following amendments:

Page 1, line 12, after the first "tables" insert "and the 1980 commissioners standard ordinary and 1980 commissioners extended term smoker and nonsmoker mortality tables"

Page 1, line 14, after "permitting" insert "smoker/nonsmoker mortality tables for use in determining"

Page 1, line 18, before the period, insert "*and before January 1, 1989*"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

S. F. No. 1235, A bill for an act relating to labor; providing for an exemption from wage requirements for certain domestic service employees; amending Minnesota Statutes 1983 Supplement, section 177.23, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 177.23, is amended by adding a subdivision to read:

*Subd. 11. With respect to an individual who is: (1) employed to provide companionship services to individuals who, because of age or infirmity, are unable to care for their own needs; (2) employed to stay overnight in the home of such an aged or infirm individual; and (3) paid the minimum wage or more for at least four hours associated with the overnight stay, the term "hours" for the purposes of requiring the payment of minimum wages and overtime premiums under sections 177.24 and 177.25, shall not include nighttime hours, from 10:00 p.m. to 9:00 a.m., up to a total of eight hours per night, during which the employee is available to perform duties for the aged or infirm individual, but is not in fact performing such duties and is free to sleep and otherwise engage in normal private pursuits in the aged or infirm individual's home. For the purposes of this subdivision, the term "companionship services" is defined in Code of Federal Regulations, title 29, sections 552.6 and 552.106 as of March 1, 1984."*

Delete the title and insert:

"A bill for an act relating to labor; providing an exemption from the minimum wage laws for certain hours of service by certain domestic employees; amending Minnesota Statutes 1982, section 177.23, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 2314, 702, 1601, 1757, 1820, 1923 and 2148 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 2148, 1750, 2016 and 1235 were read for the second time.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House Files were introduced:

Haukoos introduced:

H. F. No. 2315, A bill for an act relating to natural resources and agriculture; allowing compensation to owners of crops damaged by deer; amending Minnesota Statutes 1982, section 3.737, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rodriguez, F., introduced:

H. F. No. 2316, A bill for an act relating to state departments and agencies; requiring agencies to provide services and materials in languages other than English; proposing new law coded as Minnesota Statutes, chapter 15B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

## HOUSE ADVISORIES

The following House Advisories were introduced:

Kvam, Swanson, Otis, Brandl and McDonald introduced:

H. A. No. 58, A proposal for state agencies to prefile legislative requests 30 days before session.

The advisory was referred to the Committee on Governmental Operations.

Peterson and Sarna introduced:

H. A. No. 59, A proposal to study the selling of camping club memberships.

The advisory was referred to the Committee on Commerce and Economic Development.

### 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. 1877, A bill for an act relating to enterprise zones; expanding the definition of areas eligible for designation as zones; limiting the designation of border city enterprise zones; clarifying the tax incentives available in enterprise zones; amending Minnesota Statutes 1983 Supplement, sections 273.1312, subdivisions 4 and 5; 273.1313, subdivisions 1 and 2; 273.1314, subdivisions 1, 6, 8, 9, 10, and by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

### CONCURRENCE AND REPASSAGE

Kelly moved that the House concur in the Senate amendments to H. F. No. 1877 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1877, A bill for an act relating to enterprise zones; expanding the definition of areas eligible for designation as zones; limiting the designation of border city enterprise zones; clarifying the tax incentives available in enterprise zones; amending Minnesota Statutes 1983 Supplement, sections 273.1312, subdivisions 4 and 5; 273.1313, subdivisions 1 and 2; 273.1314, subdivisions 1, 6, 7, 8, 9, 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 112 yeas and 9 nays as follows:

## Those who voted in the affirmative were:

Anderson, B.	Ellingson	Kelly	Otis	Simoneau
Anderson, G.	Erickson	Knickerbocker	Pauly	Skoglund
Battaglia	Evans	Knuth	Peterson	Solberg
Beard	Findlay	Kostohryz	Piepho	Sparby
Begich	Fjoslien	Krueger	Piper	Stadum
Bennett	Forsythe	Larsen	Price	Staten
Bergstrom	Graba	Levi	Quinn	Swanson
Bishop	Greenfield	Long	Quist	Thiede
Blatz	Gruenes	McDonald	Redalen	Tomlinson
Boo	Gustafson	McEachern	Reif	Tunheim
Brandl	Gutknecht	McKasy	Rice	Uphus
Brinkman	Halberg	Metzen	Riveness	Valan
Burger	Haukoos	Minne	Rodriguez, C.	Vanasek
Carlson, D.	Heap	Murphy	Rodriguez, F.	Vellenga
Carlson, L.	Heintz	Nelson, D.	Rose	Waltman
Clark, K.	Himle	Nelson, K.	Sarna	Welch
Clawson	Hoffman	Neuenschwander	Scheid	Welle
Cohen	Hokr	O'Connor	Schoenfeld	Wenzel
Coleman	Jacobs	Ogren	Schreiber	Wynia
Dempsey	Jennings	Olsen	Seaberg	Speaker Sieben
Dimler	Jensen	Omann	Segal	
Eken	Johnson	Onnen	Shea	
Elioff	Kahn	Osthoff	Sherman	

## Those who voted in the negative were:

DenOuden	Ludeman	Sviggum	Welker	Zaffke
Frerichs	Schafer	Valento	Wigley	

The bill was repassed, as amended by the Senate, and its title agreed to.

## CONSENT CALENDAR

H. F. No. 427 was reported to the House.

Sviggum moved that H. F. No. 427 be continued on the Consent Calendar for one day. The motion prevailed.

S. F. No. 1770, A bill for an act relating to the city of Duluth; changing the boundaries of the tracts of land administered by the Spirit Mountain recreation area authority; amending Laws 1973, chapter 327, section 2, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Anderson, B.	Begich	Blatz	Burger	Clawson
Anderson, G.	Bennett	Boo	Carlson, D.	Cohen
Battaglia	Bergstrom	Brandl	Carlson, L.	Coleman
Beard	Bishop	Brinkman	Clark, J.	Dempsey



DenOuden	Hoffman	Minne	Rice	Swanson
Dimler	Jacobs	Munger	Riveness	Thiede
Eken	Jennings	Murphy	Rodriguez, C.	Tomlinson
Elioff	Jensen	Nelson, D.	Rodriguez, F.	Tunheim
Ellingson	Johnson	Nelson, K.	Rose	Uphus
Erickson	Kahn	Neuenschwander	Sarna	Valan
Evans	Kalis	O'Connor	Schafer	Valento
Findlay	Kelly	Ogren	Scheid	Vanasek
Fjoslien	Knickerbocker	Olsen	Schoenfeld	Vellenga
Forsythe	Knuth	Omann	Schreiber	Waltman
Frerichs	Kostohryz	Onnen	Seaberg	Welch
Graba	Krueger	Osthoff	Segal	Welker
Greenfield	Larsen	Otis	Shea	Welle
Gruenes	Levi	Pauly	Sherman	Wenzel
Gustafson	Long	Peterson	Simoneau	Wigley
Gutknecht	Ludeman	Piepho	Skoglund	Wynia
Halberg	Marsh	Piper	Solberg	Zaffke
Haukoos	McDonald	Price	Sparby	Speaker Sieben
Heap	McEachern	Quist	Stadum	
Heinitz	McKasy	Redalen	Staten	
Himle	Metzen	Reif	Swiggum	

The bill was passed and its title agreed to.

There being no objection the bills on the Technical Consent Calendar were now considered.

H. F. No. 1770, A bill for an act relating to the city of Minneapolis; authorizing compensation for members of the park and recreation board; amending Laws 1974, chapter 181, section 1, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 108 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kahn	Nelson, K.	Rodriguez, C.
Battaglia	Ellingson	Kalis	Neuenschwander	Rodriguez, F.
Beard	Findlay	Kelly	Norton	Rose
Begich	Forsythe	Knickerbocker	Ogren	Sarna
Bennett	Graba	Knuth	Olsen	Scheid
Bergstrom	Greenfield	Kostohryz	Omann	Schoenfeld
Bishop	Gruenes	Krueger	Onnen	Schreiber
Blatz	Gustafson	Kvam	Osthoff	Seaberg
Boo	Gutknecht	Larsen	Otis	Segal
Brandl	Halberg	Levi	Pauly	Shea
Brinkman	Haukoos	Long	Peterson	Sherman
Burger	Heap	Marsh	Piepho	Simoneau
Carlson, L.	Heinitz	McEachern	Piper	Skoglund
Clark, J.	Himle	McKasy	Price	Solberg
Clark, K.	Hoffman	Metzen	Quinn	Sparby
Coleman	Hokr	Minne	Quist	Stadum
Dempsey	Jacobs	Munger	Redalen	Staten
Dimler	Jensen	Murphy	Reif	Swanson
Eken	Johnson	Nelson, D.	Riveness	Tomlinson

Tunheim	Vanasek	Waltman	Wenzel	Zaffke
Valan	Vellenga	Welch	Wynia	Speaker Sieben
Valento	Voss	Welle		

Those who voted in the negative were :

DenOuden	Frerichs	Ludeman	Schafer	Weiker
Erickson	Jennings	McDonald	Thiede	Wigley
Fjoslien				

The bill was passed and its title agreed to.

H. F. No. 1809 was reported to the House.

There being no objection H. F. No. 1809 was continued on the Consent Calendar for one day.

H. F. No. 2081, A bill for an act relating to local government; changing the authority for licensing and inspecting vending machines; amending Minnesota Statutes 1982, sections 145.031, subdivision 1; 145.55, subdivision 1; 145.918, subdivision 2; 366.01, subdivision 2; and Minnesota Statutes 1983 Supplement, section 28A.09, subdivision 1; repealing Minnesota Statutes 1982, sections 144.075; 375.193; and 461.02.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 123 yeas and 0 nays as follows :

Those who voted in the affirmative were :

Anderson, B.	Erickson	Knuth	Pauly	Solberg
Anderson, G.	Findlay	Kostohryz	Peterson	Sparby
Battaglia	Fjoslien	Krueger	Piepho	Stadum
Beard	Forsythe	Kvam	Piper	Staten
Begich	Frerichs	Larsen	Price	Sviggum
Bennett	Graba	Levi	Quinn	Swanson
Bergstrom	Greenfield	Long	Quist	Thiede
Bishop	Gruenes	Ludeman	Redalen	Tonlinson
Blatz	Gustafson	McDonald	Reif	Tunheim
Brandl	Cutknecht	McEachern	Rice	Valan
Brinkman	Halberg	McKasy	Riveness	Valento
Burger	Haukoos	Metzen	Rodriguez, C.	Vanasek
Carlson, D.	Heap	Minne	Rodriguez, F.	Vellenga
Carlson, L.	Hejnitz	Munger	Rose	Voss
Clark, J.	Himle	Murphy	Sarna	Waltman
Clark, K.	Hoffman	Nelson, D.	Schafer	Welch
Clawson	Hokr	Nelson, K.	Scheid	Welker
Cohen	Jacobs	Neuenschwander	Schoenfeld	Welle
Coleman	Jennings	Norton	Schreiber	Wenzel
Dempsey	Jensen	Ogren	Seaberg	Wigley
DenOuden	Johnson	Olsen	Segal	Wynia
Dimler	Kahn	Omann	Shea	Zaffke
Eken	Kalis	Onnen	Sherman	Speaker Sieben
Elioff	Kelly	Osthoff	Simoneau	
Ellingson	Knickerbocker	Otis	Skoglund	

The bill was passed and its title agreed to.

H. F. No. 2247, A bill for an act relating to public health; exempting increases of less than five swing beds from certificate of need review; amending Minnesota Statutes 1982, section 145.833, 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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knuth	Pauly	Sparby
Anderson, G.	Erickson	Kostohryz	Peterson	Stadum
Battaglia	Findlay	Krueger	Piepho	Staten
Beard	Fjoslien	Kvam	Piper	Sviggum
Begich	Forsythe	Larsen	Price	Swanson
Bennett	Frerichs	Levi	Quinn	Thiede
Bergstrom	Graba	Long	Quist	Tomlinson
Bishop	Greenfield	Ludeman	Redalen	Tunheim
Blatz	Gruenes	McDonald	Reif	Uphus
Boo	Gustafson	McEachern	Riveness	Valan
Brandl	Gutknecht	McKasy	Rodriguez, C.	Valento
Brinkman	Halberg	Metzen	Rodriguez, F.	Vanasek
Burger	Haukoos	Minne	Rose	Vellenga
Carlson, D.	Heap	Munger	Sarna	Voss
Carlson, L.	Heinitz	Murphy	Schafer	Waltman
Clark, J.	Himle	Nelson, D.	Scheid	Welch
Clark, K.	Hoffman	Nelson, K.	Schoenfeld	Welker
Clawson	Hokr	Neuenschwander	Schreiber	Welle
Cohen	Jacobs	Norton	Seaberg	Wenzel
Coleman	Jennings	Ogren	Segal	Wigley
Dempsey	Jensen	Olsen	Shea	Wynia
DenOuden	Johnson	Omann	Sherman	Zaffke
Dinler	Kalis	Onnen	Simoneau	Speaker Sieben
Eken	Kelly	Osthoff	Skoglund	
Elioff	Knickerbocker	Otis	Solberg	

The bill was passed and its title agreed to.

H. F. No. 2301 was reported to the House.

Osthoff moved that H. F. No. 2301 be continued on the Consent Calendar for one day. The motion prevailed.

S. F. No. 416, A bill for an act relating to certain towns in Goodhue County; authorizing the town board to set the hours the polling places will be open in town elections.

The bill was read for the third 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:

Anderson, B.	Erickson	Kostohryz	Peterson	Stadum
Anderson, G.	Findlay	Krueger	Piepho	Staten
Battaglia	Fjoslien	Kvam	Piper	Swiggum
Beard	Forsythe	Larsen	Price	Swanson
Begich	Frerichs	Levi	Quinn	Thiede
Bennett	Graba	Long	Quist	Tomlinson
Bergstrom	Greenfield	Ludeman	Redaief	Tunheim
Bishop	Gruenes	McDonald	Reif	Uphus
Blatz	Gustafson	McEachern	Rice	Valan
Boo	Gutknecht	McKasy	Riveness	Valento
Brandl	Halberg	Metzen	Rodriguez, C.	Vanasek
Brinkman	Haukoos	Minne	Rodriguez, F.	Vellenga
Burger	Heap	Munger	Rose	Voss
Carlson, D.	Heinitz	Murphy	Sarna	Waltman
Carlson, L.	Himle	Nelson, D.	Schafer	Welch
Clark, J.	Hoffman	Nelson, K.	Scheid	Welker
Clark, K.	Hokr	Neuenschwander	Schoenfeld	Weile
Clawson	Jacobs	Norton	Schreiber	Wenzel
Cohen	Jennings	O'Connor	Seaberg	Wigley
Coleman	Jensen	Ogren	Segal	Wynia
Dempsey	Johnson	Olsen	Shea	Zaffke
DenOuden	Kahn	Omann	Sherman	Speaker Sieben
Dinler	Kalis	Onnen	Simoneau	
Eken	Kelly	Osthoff	Skoglund	
Elioff	Knickerbocker	Otis	Solberg	
Ellingson	Knuth	Pauly	Sparby	

The bill was passed and its title agreed to.

S. F. No. 1396, A bill for an act relating to local government; requiring the county board of adjustment to take the town board's recommendation into consideration when making certain decisions; amending Minnesota Statutes 1982, section 394.27, 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 127 yeas and 1 nay as follows:

## Those who voted in the affirmative were:

Anderson, B.	Clark, J.	Forsythe	Jennings	McDonald
Anderson, G.	Clark, K.	Frerichs	Jensen	McEachern
Battaglia	Clawson	Graba	Johnson	McKasy
Beard	Cohen	Greenfield	Kahn	Metzen
Begich	Coleman	Gruenes	Kalis	Minne
Bennett	Dempsey	Gustafson	Kelly	Munger
Bergstrom	DenOuden	Gutknecht	Knickerbocker	Murphy
Bishop	Dinler	Halberg	Knuth	Nelson, D.
Blatz	Eken	Haukoos	Kostohryz	Nelson, K.
Boo	Elioff	Heap	Krueger	Neuenschwander
Brandl	Ellingson	Heinitz	Kvam	Norton
Brinkman	Erickson	Himle	Larsen	O'Connor
Burger	Evans	Hoffman	Levi	Ogren
Carlson, D.	Findlay	Hokr	Long	Olsen
Carlson, L.	Fjoslien	Jacobs	Ludeman	Omann

Omnen	Reif	Segal	Swanson	Welch
Osthoff	Rice	Shaver	Thiede	Welker
Otis	Riveness	Shea	Tomlinson	Welle
Pauly	Rodriguez, C.	Sherman	Tunheim	Wenzel
Peterson	Rodriguez, F.	Simoneau	Uphus	Wigley
Piepho	Rose	Skoglund	Valan	Wynia
Piper	Schafer	Solberg	Valento	Zaffke
Price	Scheid	Sparby	Vanasek	Speaker Sieben
Quinn	Schoenfeld	Stadum	Vellenga	
Quist	Schreiber	Staten	Voss	
Redalen	Seaberg	Sviggum	Waltman	

Those who voted in the negative were:

Sarna

The bill was passed and its title agreed to.

Sviggum moved that H. F. No. 427, continued earlier today on the Consent Calendar, be returned to its author. The motion prevailed.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Rice requested immediate consideration of H. F. No. 2314.

### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Rice moved that the rule therein be suspended and an urgency be declared so that H. F. No. 2314 be given its third reading and be placed upon its final passage. The motion prevailed.

Rice moved that the rules of the House be so far suspended that H. F. No. 2314 be given its third reading and be placed upon its final passage. The motion prevailed.

H. F. No. 2314 was reported to the House.

### CALL OF THE HOUSE

On the motion of Rice and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Battaglia	Boo	Clark, K.	Dimler	Fjoslien
Beard	Brandl	Clawson	Elioff	Forsythe
Begich	Burger	Cohen	Ellingson	Frerichs
Bennett	Carlson, D.	Coleman	Erickson	Graba
Bergstrom	Carlson, L.	Dempsey	Evans	Greenfield
Blatz	Clark, J.	DenOuden	Findlay	Gruenes

Gustafson	Kostohryz	O'Connor	Rodriguez, F.	Swanson
Cutknecht	Krueger	Ogren	Rose	Thiede
Haukoos	Kvam	Olsen	St. Onge	Tomlinson
Heap	Larsen	Omann	Sarna	Tunheim
Heinitz	Levi	Onnen	Schafer	Uphus
Himle	Long	Osthoff	Scheid	Valan
Hoffman	Ludeman	Otis	Schoenfeld	Valento
Hokr	Marsh	Pauly	Schreiber	Vellenga
Jacobs	McDonald	Peterson	Seaberg	Waltman
Jennings	McKasy	Piepho	Segal	Welch
Jensen	Metzen	Piper	Sherman	Welker
Johnson	Minne	Price	Simoneau	Welle
Kahn	Munger	Quinn	Skoglund	Wenzel
Kalis	Murphy	Quist	Solberg	Wigley
Kelly	Nelson, D.	Reif	Sparby	Zaffke
Knickerbocker	Neuenschwander	Rice	Staten	Speaker Sieben
Knuth	Norton	Rodriguez, C.	Sviggum	

Minne 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.

DenOuden moved to amend H. F. No. 2314, as follows:

Page 1, delete line 28

Page 2, line 11, delete "\$171,542,500" insert "\$171,092,500"

Page 2, line 12, delete "22,395,100" insert "21,945,100"

Page 8, delete lines 12 to 16

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Minne moved that those not voting be excused from voting. The motion prevailed.

There were 38 yeas and 84 nays as follows:

Those who voted in the affirmative were:

Bennett	Fjoslien	Himle	McKasy	Uphus
Bishop	Frerichs	Jennings	Omann	Valento
Blatz	Graba	Johnson	Quist	Waltman
Boo	Gutknecht	Krueger	Reif	Welker
Burger	Halberg	Kvam	Schafer	Wigley
DenOuden	Haukoos	Levi	Shaver	Zaffke
Dimler	Heap	Ludeman	Sviggum	
Erickson	Heinitz	McDonald	Thiede	

Those who voted in the negative were:

Anderson, B.	Bergstrom	Carlson, L.	Cohen	Elioff
Battaglia	Brandl	Clark, J.	Coleman	Ellingson
Beard	Brinkman	Clark, K.	Dempsey	Evans
Begich	Carlson, D.	Clawson	Eken	Forsythe

Greenfield	Long	Osthoff	St. Onge	Swanson
Gruenes	Marsh	Otis	Sarna	Tomlinson
Gustafson	Metzen	Pauly	Scheid	Tunheim
Hoffman	Minne	Peterson	Schreiber	Valan
Jacobs	Munger	Piepho	Seaberg	Vanasek
Jensen	Murphy	Piper	Segal	Vellenga
Kahn	Nelson, D.	Price	Shea	Voss
Kalis	Nelson, K.	Quinn	Sherman	Welch
Kelly	Norton	Rice	Simoneau	Welle
Knickerbocker	O'Connor	Riverness	Skoglund	Wenzel
Knuth	Ogren	Rodriguez, C.	Solberg	Wynia
Kostohryz	Olsen	Rodriguez, F.	Sparby	Speaker Sieben
Larsen	Onnen	Rose	Staten	

The motion did not prevail and the amendment was not adopted.

Sherman moved to amend H. F. No. 2314, as follows:

Page 21, after line 12, insert the following:

“This appropriation is from the state building fund.”

Page 21, line 21, after “project.” Delete the balance of the line

Page 21, delete line 22

The motion prevailed and the amendment was adopted.

H. F. No. 2314, A bill for an act relating to capital improvements; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; reducing and canceling certain appropriations; authorizing issuance of state bonds; appropriating money; amending Minnesota Statutes 1982, sections 16.72, subdivision 7; 85A.04, subdivision 3; 475A.03, subdivision 1; 475A.05, subdivision 1, and by adding a subdivision; 475A.06, subdivision 7; and Laws 1983, chapter 344, section 6, subdivision 8; repealing Laws 1981, chapter 275; and chapter 334, section 11, subdivision 4; and Laws 1982, chapter 639, section 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.

Eken moved that those not voting be excused from voting. The motion prevailed.

There were 106 yeas and 19 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kostohryz	Otis	Staten
Anderson, G.	Findlay	Krueger	Piepho	Swiggum
Battaglia	Forsythe	Kvam	Piper	Swanson
Beard	Frerichs	Larsen	Price	Thiede
Begich	Graba	Levi	Quinn	Tomlinson
Bennett	Greenfield	Long	Rice	Tunheim
Bergstrom	Gruenes	Marsh	Riveness	Uphus
Bishop	Gustafson	McEachern	Rodriguez, C.	Valan
Boo	Gutknecht	McKasy	Rodriguez, F.	Vanasek
Brandl	Halberg	Metzen	Rose	Vellenga
Burger	Haukoos	Minne	St. Onge	Voss
Carlson, D.	Heap	Munger	Sarna	Waltman
Carlson, L.	Hoffman	Murphy	Schoenfeld	Welch
Clark, J.	Hokr	Nelson, D.	Schreiber	Welle
Clark, K.	Jacobs	Nelson, K.	Seaberg	Wenzel
Clawson	Jensen	Neuenschwander	Segal	Wigley
Cohen	Johnson	Norton	Shea	Wynia
Coleman	Kahn	O'Connor	Sherman	Speaker Sieben
Eken	Kalis	Ogren	Simoneau	
Elioff	Kelly	Olsen	Skoglund	
Ellingson	Knickerbocker	Onnen	Solberg	
Erickson	Knuth	Osthoff	Sparby	

Those who voted in the negative were:

Blatz	Heinitz	McDonald	Reif	Valento
DenOuden	Himle	Omann	Schafer	Welker
Dimler	Jennings	Fauly	Shaver	Zaffke
Fjoslien	Ludeman	Quist	Stadum	

The bill was passed, as amended, and its title agreed to.

Johnson was excused at 2:50 p.m. Sherman was excused at 3:30 p.m. Otis, Stadum, Heap and Halberg were excused at 4:25 p.m.

### GENERAL ORDERS

Pursuant to rules of the House, the House resolved itself into the Committee of The Whole with Sieben in the Chair for the consideration of bills pending on General Orders of the Day. Wynia presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following proceedings of the Committee as kept by the Chief Clerk were reported to the House:

H. F. Nos. 1606 and 1651 which it recommended to pass.

H. F. Nos. 1527, 1668, 1843 and 1981 which it recommended progress.



H. F. Nos. 1557 and 347 which it recommended progress retaining their places on General Orders.

H. F. No. 1345 which it recommended be returned to its author.

H. F. No. 1937 which it recommended be re-referred to the Committee on Appropriations.

S. F. No. 214, the unofficial engrossment, which it recommended progress retaining its place on General Orders with the following amendments:

Offered by Osthoff:

Page 1, delete lines 17 to 18

Reletter the remaining clauses

Offered by McDonald:

Page 1, line 21, after "*medical*" insert "*or psychological*"

Page 1, line 21, after "*unfitness*" insert "*, including a fear of being entrapped,*"

H. F. No. 1421 which it recommended to pass with the following amendment offered by Simoneau:

Page 1, line 17, delete "*a*"

Page 1, line 18, delete "*state*"

S. F. No. 1810 which it recommended to pass with the following amendments:

Offered by Riveness:

Page 1, line 15, after "*policy*" insert "*or any policy providing insurance coverage as provided in section 60A.06, subdivision 1, clause (1), that insures commercial dwellings*"

Page 1, line 23, after the first comma delete "*including temporary rules,*"

Page 1, line 25, after "*policy*" insert "*or any policy providing insurance coverage as provided in section 60A.06, subdivision 1, clause (1), that insures commercial dwellings*"

Page 2, line 2, delete the second comma

Page 2, line 3, delete "*paragraphs (a), (b), (c), and (d)*"

Page 2, line 5, after "causes" insert "or any claim where no payment is made by the insurer"

Offered by Clawson:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1982, section 61A.39, is amended to read:

**61A.39 [COOPERATIVE LIFE AND CASUALTY COMPANIES.]**

*Subdivision 1. [COOPERATIVE PLAN.]* Every corporation, society, or association which issues a certificate or policy or makes an agreement with its members by which, upon the decease of a member, any money is to be paid to, or benefit conferred upon, the legal representatives or designated beneficiaries of such member, or reaching a certain age, to pay any money or benefit to him, such money or benefit to be derived from voluntary donations, admission fees, dues, or assessments to be collected from its members or any class thereof, and which reserves the right to make any additional assessments, or without the consent of the certificate or policyholder to increase the premium named therein, shall be deemed to be engaged in the business of life insurance upon the cooperative or assessment plan. Every corporation which likewise agrees, in case of accident, sickness, or other physical disability, or reaching a certain age, to pay money or confer benefits likewise derived and issuing certificates or policies with similar conditions with reference to the payment of dues or assessments, shall be deemed to be engaged in the business of casualty insurance upon the cooperative or assessment plan, and shall, except as herein otherwise specified, be subject to the provisions of sections 61A.39 to 61A.42 and 61A.44 to 61A.50.

*Subd. 2. [CONTINUED CORPORATE EXISTENCE.]* Notwithstanding the repeal of Minnesota Statutes, sections 63.01, 63.011, and 63.02 to 63.35 pursuant to Laws 1983, chapter 104, section 1, any corporation, society or association formed or having existed under Laws 1933, chapter 241, whether or not it amended its articles of incorporation in accordance with Laws 1945, chapter 178, as amended by Laws 1951, chapter 257, and which has transformed itself into a cooperative life insurance company to engage in business under the cooperative plan, shall be and continue to exist as a corporation by virtue of the provisions hereof and may exercise and shall continue to have and to hold all the rights, privileges and powers which it had, prior to the repeal of such sections, including those derived under Laws 1945, chapter 178, section 1, as amended by Laws 1951, chapter 257, section 2."

Renumber subsequent sections

Amend the title as follows:

Page 1, line 6, delete "section" and insert "sections 61A.39 and"

S. F. No. 1750 which it recommended to pass with the following amendment offered by Segal:

Page 13, line 18, after the period insert "*If the course consists of less than 50 percent substantive and procedural knowledge of real estate, credit shall be granted only for the portion directly related to real estate.*"

H. F. No. 1635 which it recommended to pass with the following amendment offered by Peterson:

Page 36, line 4, delete "*conceit*" and insert "*deceit*"

On the motion of Eken the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Quist moved to amend S. F. No. 214, the unofficial engrossment, as amended, as follows:

Page 1, delete lines 19 to 25 and insert:

*"(b) persons driving or riding in a motor vehicle upon which an exemption sticker is displayed. Upon receipt of an application, the Department of Public Safety shall issue to the registered owner or lessee of a motor vehicle an exemption sticker or stickers for display in the rear window of the registered owner or lessee's vehicle or vehicles. The application form for this sticker shall be prescribed by the Department of Public Safety and shall be made available wherever license plates are sold. The effective dates for the exemption card shall coincide with the effective dates of the license for the motor vehicle."*

Page 2, delete lines 1 to 3.

Reletter the remaining clauses accordingly.

Jennings moved to amend the Quist amendment to S. F. No. 214, the unofficial engrossment, as amended, as follows:

In the third line of the Quist amendment, after "*is*" insert "*not*"

The question was taken on the amendment to the amendment and the roll was called. There were 55 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Findlay	Kalis	Omann	Sviggum
Begich	Fjoslien	Kostohryz	Onnen	Thiede
Bishop	Frerichs	Krueger	Piepho	Uphus
Blatz	Gruenes	Kvam	Redalen	Valan
Brinkman	Gustafson	Levi	Rose	Valento
Burger	Halberg	Ludeman	St. Onge	Voss
Dempsey	Haukoos	Marsh	Sarna	Waltman
DenOuden	Heap	McDonald	Schafer	Welker
Dimler	Jacobs	McEachern	Sherman	Wenzel
Erickson	Jennings	Metzen	Solberg	Wigley
Evans	Jensen	O'Connor	Stadum	Zaffke

Those who voted in the negative were:

Anderson, B.	Forsythe	McKasy	Quinn	Staten
Anderson, G.	Graba	Minne	Quist	Swanson
Battaglia	Greenfield	Murphy	Reif	Tomlinson
Beard	Gutknecht	Neuenschwander	Rice	Tunheim
Bennett	Himle	Norton	Rodriguez, C.	Vellenga
Bergstrom	Hoffman	Olsen	Rodriguez, F.	Welch
Brandl	Kahn	Osthoff	Scheid	Welle
Carlson, L.	Kelly	Otis	Schoenfeld	Wynia
Clark, J.	Knickerbocker	Pauly	Seaberg	Speaker Sieben
Clawson	Knuth	Peterson	Shaver	
Cohen	Larsen	Piper	Simoneau	
Coleman	Long	Price	Skoglund	

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Quist amendment and the roll was called. There were 15 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dimler	McDonald	Pauly	Seaberg
Boo	Findlay	O'Connor	Quist	Uphus
Clawson	Long	Olsen	Rodriguez, F.	Welch

Those who voted in the negative were:

Anderson, B.	Carlson, L.	Graba	Jennings	Ogren
Anderson, G.	Clark, J.	Greenfield	Kahn	Omann
Battaglia	Clark, K.	Gruenes	Kelly	Osthoff
Beard	Coleman	Gustafson	Knuth	Otis
Begich	Dempsey	Gutknecht	Kvam	Peterson
Bennett	DenOuden	Halberg	Ludeman	Piepho
Bergstrom	Eken	Haukoos	Marsh	Piper
Bishop	Elioff	Heap	Minne	Quinn
Blatz	Ellingson	Heimitz	Munger	Redalen
Brandl	Fjoslien	Himle	Murphy	Reif
Burger	Forsythe	Hoffman	Norton	Rice
Carlson, D.	Frerichs	Jacobs		Rose

St. Onge	Shaver	Staten	Valento	Wynia
Scheid	Simoneau	Sviggum	Vellenga	Zaffke
Schoenfeld	Skoglund	Swanson	Welker	Speaker Sieben
Schreiber	Solberg	Thiede	Welle	
Segal	Sparby	Tomlinson	Wenzel	

The motion did not prevail and the amendment was not adopted.

McDonald moved to amend S. F. No. 214, the unofficial engrossment, as amended, as follows:

Page 1, line 21, after "*medical*" insert "*or psychological*"

Page 1, line 21, after "*unfitness*" insert "*, including a fear of being entrapped,*"

The question was taken on the McDonald amendment and the roll was called. There were 98 yeas and 14 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Erickson	Kostohryz	Osthoff	Sparby
Battaglia	Evans	Krueger	Otis	Stadum
Begich	Findlay	Kvam	Pauly	Sviggum
Bennett	Fjoslien	Levi	Peterson	Swanson
Bergstrom	Frerichs	Long	Piepho	Thiede
Bishop	Graba	Ludeman	Piper	Tomlinson
Blatz	Greenfield	Marsh	Quinn	Tunheim
Boo	Gruenes	McDonald	Quist	Uphus
Brandl	Gustafson	McEachern	Redalen	Valan
Brinkman	Cutknecht	McKasy	Reif	Valento
Burger	Halberg	Metzen	Riveness	Vanasek
Carlson, D.	Haukoos	Minne	Rodriguez, C.	Welch
Carlson, L.	Heap	Murphy	Rodriguez, F.	Welker
Clark, K.	Hokr	Nelson, D.	Rose	Wenzel
Coleman	Jacobs	Neuenschwander	St. Onge	Wigley
DenOuden	Jennings	Norton	Schafer	Wynia
Dimler	Jensen	O'Connor	Schoenfeld	Zaffke
Eken	Kalis	Olsen	Schreiber	Speaker Sieben
Elioff	Kelly	Omamn	Segal	
Ellingson	Knickerbocker	Onnen	Solberg	

Those who voted in the negative were:

Anderson, B.	Clark, J.	Forsythe	Seaberg	Skoglund
Anderson, G.	Clawson	Hoffman	Shaver	Staten
Beard	Dempsey	Kahn	Simoneau	

The motion prevailed and the amendment was adopted.

Fjoslien, Ludeman and Begich moved to amend S. F. No. 214, the unofficial engrossment, as amended, as follows:

Page 2, after line 16, insert:

## "Sec. 2.

*Section 1 is effective only after the issue has passed in a state-wide referendum. The secretary of state shall be responsible for carrying out this section."*

The question was taken on the amendment and the roll was called. There were 48 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Elioff	Kostohryz	Onnen	Uphus
Beard	Erickson	Krueger	Redalen	Valan
Begich	Evans	Kvam	Rose	Valento
Bishop	Findlay	Levi	St. Onge	Voss
Blatz	Fjoslien	Ludeman	Schafer	Waltman
Brinkman	Frerichs	Marsh	Sparby	Welker
Burger	Graba	McEachern	Stadum	Wenzel
Carlson, D.	Gutknecht	Metzen	Sviggum	Zaffke
Carlson, L.	Haukoos	O'Connor	Swanson	
DenOuden	Jennings	Omann	Thiede	

Those who voted in the negative were:

Anderson, B.	Forsythe	Long	Price	Shea
Anderson, G.	Greenfield	Minne	Quinn	Simoneau
Battaglia	Gruenes	Munger	Quist	Skoglund
Bergstrom	Halberg	Murphy	Reif	Solberg
Boo	Heap	Neuenschwander	Rice	Staten
Brandl	Heinitz	Norton	Riveness	Tomlinson
Clark, J.	Himle	Ogren	Rodriguez, C.	Vellenga
Clark, K.	Hoffman	Olsen	Rodriguez, F.	Welch
Clawson	Jacobs	Osthoff	Scheid	Welle
Coleman	Kahn	Otis	Schoenfeld	Wynia
Dempsey	Kalis	Pauly	Schreiber	Speaker Sieben
Dimler	Kelly	Peterson	Seaberg	
Eken	Knickerbocker	Piepho	Segal	
Ellingson	Larsen	Piper	Shaver	

The motion did not prevail and the amendment was not adopted.

The question was taken on the motion to recommend passage of S. F. No. 214, the unofficial engrossment, as amended, and the roll was called. There were 56 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Long	Price	Skoglund
Anderson, G.	Forsythe	McKasy	Reif	Staten
Battaglia	Graba	Munger	Rice	Tomlinson
Bennett	Greenfield	Murphy	Rodriguez, C.	Vanasek
Bergstrom	Himle	Nelson, D.	Rodriguez, F.	Vellenga
Boo	Hoffman	Norton	Scheid	Welch
Brandl	Kahn	Olsen	Schoenfeld	Wynia
Clark, J.	Kalis	Osthoff	Seaberg	Speaker Sieben
Clark, K.	Kelly	Otis	Segal	
Cohen	Knickerbocker	Pauly	Shaver	
Coleman	Knuth	Peterson	Shea	
Eken	Larsen	Piper	Simoneau	

Those who voted in the negative were:

Anderson, R.	Evans	Kostohryz	Piepho	Thiede
Beard	Findlay	Krueger	Quinn	Tunheim
Begich	Fjoslien	Kvam	Quist	Uphus
Bishop	Frerichs	Levi	Redalen	Valan
Blatz	Gruenes	Ludeman	Riveness	Valento
Brinkman	Gustafson	Marsh	Rose	Voss
Burger	Cutknecht	McDonald	St. Onge	Waltman
Carlson, D.	Halberg	McEachern	Sarna	Welker
Carlson, L.	Haukoes	Metzen	Schafer	Welle
Clawson	Heap	Minne	Schreiber	Wenzel
Dempsey	Heinitz	Neuenschwander	Solberg	Wigley
DenOuden	Hokr	O'Connor	Sparby	Zaffke
Dimler	Jacobs	Ogren	Stadum	
Elioff	Jennings	Omman	Swiggum	
Erickson	Jensen	Onnen	Swanson	

The motion did not prevail.

There being no objection the order of business reverted to Reports of Standing Committees.

## REPORTS OF STANDING COMMITTEES

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1577, A bill for an act relating to solid and hazardous waste management; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical and research assistance to generators, and studies of hazardous waste reduction and processing and collection facilities; requiring requests for proposals for hazardous waste processing facilities; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; amending various provisions relating to county and metropolitan solid waste management; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivision 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.11; 115A.18; 115A.24; 115A.46, subdivision 1; 115A.70, by adding a subdivision; 400.162; 473.181, subdivision 4; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivisions 5 and 5a; 115A.21, subdivision 1; 115A.22, subdivisions 1 and 4; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; and 473.823, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 115A and 116E; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 115A.03, subdivision 1, is amended to read:

Subdivision 1. For the purposes of sections 115A.01 to 115A.72 and sections 32 to 49, the terms defined in this section have the meanings given them, unless the context requires otherwise.

Sec. 2. Minnesota Statutes 1982, section 115A.03, subdivision 28, is amended to read:

Subd. 28. "Resource recovery facility" means a waste facility established and used primarily for resource recovery, *including related and appurtenant facilities such as transmission facilities and transfer stations primarily serving the resource recovery facility.*

Sec. 3. Minnesota Statutes 1982, section 115A.06, is amended by adding a subdivision to read:

*Subd. 5a. [ACQUISITION OF EASEMENTS.] If the board determines that any activity deemed necessary to accomplish its purposes under subdivision 5 constitutes a substantial interference with the possession, enjoyment, or value of the property where the activity will take place, the board may acquire a temporary easement interest in the property that permits the board to carry out the activity and other activities incidental to the accomplishment of the same purposes. The board may acquire temporary easement interests under this subdivision by purchase, gift, or condemnation. The right of the board to acquire a temporary easement is subject to the same requirements and may be exercised with the same authority as provided for acquisition of property interests by the commissioner of administration under subdivision 4.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 115A.08, subdivision 5, is amended to read:

Subd. 5. [REPORT ON MITIGATION OF LOCAL EFFECTS OF HAZARDOUS WASTE FACILITIES.] (WITH THE REPORT REQUIRED BY SUBDIVISION 4.) The board through its chairperson shall (ISSUE A) report and make recommendations on methods of mitigating and compensating for the local risks, costs, and other adverse effects of various types of hazardous waste facilities and on methods of financing mitigation and compensation measures. The methods of mitigating and compensating to be considered (SHALL) *must* include but not be limited to the following: payment outside of levy limitations in lieu of taxes for all property taken off the tax rolls;



preference in reviews of applications for federal funds conducted by the metropolitan council and regional development commissions; payment of all costs to service the facilities including the cost of roads, monitoring, inspection, enforcement, police and fire, and litter clean up costs; payment for buffer zone amenities and improvement; local control over buffer zone design; a guarantee against any and all liability that may occur. *The recommendations on processing facilities must be made with the report required by subdivision 4. The recommendations on disposal facilities must be made with the report required by section 4.*

Sec. 5. Minnesota Statutes 1982, section 115A.08, is amended by adding a subdivision to read:

*Subd. 5b. [REPORT ON NEED AND FEASIBILITY OF HAZARDOUS WASTE DISPOSAL FACILITIES.] The board through its chairperson shall issue a report on the estimate of need and the economic feasibility analysis required by section 115A.24. The report must be issued before the hearing required by section 115A.27. The board through its chairperson shall issue an interim report by February 1, 1985, on the research on need and economic feasibility.*

Sec. 6. Minnesota Statutes 1982, section 115A.09, is amended by adding a subdivision to read:

*Subd. 5. [INCLUSION OF VOLUNTEER SITES.] The owner of property that may be a suitable location for a hazardous waste processing facility may apply to the board for inclusion of the property in the inventory of preferred areas. If the board accepts the application, the property must be evaluated as provided in subdivision 2. If the board determines that the property is suitable as a preferred area it may include it in the inventory after complying with the procedures provided in subdivision 3.*

Sec. 7. Minnesota Statutes 1982, section 115A.11, is amended to read:

115A.11 [HAZARDOUS WASTE MANAGEMENT PLAN.]

Subdivision 1. [(CONTENTS) REQUIREMENT.] The board shall adopt, amend as appropriate, and implement a hazardous waste management plan.

*Subd. 1a. [POLICY.] In developing and implementing the plan, the highest priority of the board (SHALL) must be placed upon alternatives to land disposal of hazardous wastes including: technologies to modify industrial processes or introduce new processes (WHICH) that will reduce or eliminate hazardous waste generation; recycling, re-use, and recovery methods to reduce or eliminate hazardous waste disposal; and conversion*

and treatment technologies to reduce the degree of environmental risk from hazardous waste. The board shall also consider technologies for retrievable storage of hazardous wastes for later recycling, re-use, recovery, conversion, or treatment.

*Subd. 1b. [CONTENTS.] The plan (SHALL) must include at least the (FOLLOWING) elements (:) prescribed in this subdivision.*

(a) (AN) *The plan must estimate (OF) the types and (VOLUMES) quantities of hazardous waste (WHICH) that will be generated in the state through the year 2000 (;).*

(b) *The plan must set out specific and quantifiable objectives for reducing to the greatest feasible and prudent extent the need for and (PRACTICE) use of disposal facilities located within the state, through waste reduction, pretreatment, retrievable storage, processing, and resource recovery (;).*

(c) (A DESCRIPTION OF) *The plan must estimate the minimum disposal capacity and capability (NEEDED TO BE DEVELOPED WITHIN) required by generators in the state for use through the year 2000 (,). The estimate must be based on the achievement of the objectives under (CLAUSE) paragraph (b) (;).*

(d) (A DESCRIPTION OF) *The plan must describe and recommend the implementation strategies required to (DEVELOP THE NEEDED) assure availability of disposal capacity for the types and quantities of waste estimated under (CLAUSE) paragraph (c) and to achieve the objectives (UNDER CLAUSE) required by paragraph (b) (, INCLUDING). The recommendations must address at least the following: the necessary private and government actions; the types of facilities and programs required; the availability and use of specific facilities outside of the state; development schedules for facilities, services, and (REGULATIONS) rules that should be established in the state; revenue-raising and financing measures; levels of public and private effort and expenditure; legal and institutional changes; and other similar matters.*

(e) *The plan (SHALL) must provide for the orderly development of hazardous waste management sites and facilities to protect the health and safety of rural and urban communities. In preparing the plan the board shall consider its impact upon agriculture and natural resources.*

(f) *The plan (SHALL REQUIRE THE ESTABLISHMENT IN THE STATE OF AT LEAST ONE COMMERCIAL RETRIEVABLE STORAGE OR DISPOSAL FACILITY AND SHALL RECOMMEND AND ENCOURAGE) must include methods and procedures that will (INSURE) encourage the*

establishment of (AT LEAST ONE FACILITY) *programs, services, and facilities that the board recommends for development in the state for the recycling, re-use, recovery, conversion, treatment, destruction, transfer, (OR) storage, or disposal, including retrievable storage, of hazardous waste.*

*The plan must be consistent with the estimate of need and feasibility analysis prepared under section 115A.24, the analysis provided in the phase I environmental impact statement determined to be adequate under section 115A.25, subdivision 1a, and the decisions made by the board under sections 115A.28 and 115A.291.*

The board may make the implementation of elements of the plan contingent on actions of the legislature (WHICH) *that have been recommended in the draft plan (AND CERTIFICATION OF NEED AND CONSIDERED IN THE REPORTS SUBMITTED PURSUANT TO SECTION 115A.08).*

Subd. 2. [PROCEDURE.] (THE PLAN SHALL BE BASED UPON THE REPORTS PREPARED PURSUANT TO SECTION 115A.08.) The plan (, THE CERTIFICATE OF NEED ISSUED UNDER SECTION 115A.24,) and the procedures for hearings on the (DRAFT) plan (AND DRAFT CERTIFICATE OF NEED, SHALL) *are not (BE) subject to the rule-making or contested case provisions of chapter 14. Before revising the draft plan prepared under subdivision 3 or amending its adopted plan, the board shall provide notice and hold a public hearing in a manner consistent with the procedure followed by the board in the hearings on the draft plan, as provided in subdivision 3 and approved by the legislative commission.*

Subd. 3. [PREPARATION OF DRAFT PLAN.] By July 1, 1983, the (CHAIRMAN) *chairperson* of the board shall report to the legislative commission on waste management about the hearing to be held pursuant to this subdivision. The (CHAIRMAN) *chairperson* shall describe the board's plans and procedures for the hearing, the provisions for encouraging public participation in the hearing, and the board's plans for preparing the required report to the legislature fully and accurately summarizing the results of the hearing, the objections raised to the board's draft plan (AND CERTIFICATION), and the board's response to the testimony received. The legislative commission shall hold a hearing to receive public comment on the board's proposed hearing procedures and thereafter shall make any recommendations it deems appropriate for changes in the board's procedures. By November 1, 1983, the board through its chairperson shall issue a draft hazardous waste management plan proposed for adoption pursuant to this section (, AND A DRAFT CERTIFICATE OR CERTIFICATES OF NEED PROPOSED FOR ISSUANCE UNDER SECTION 115A.24). The draft plan (AND CERTIFICATES) must include an explanation of the basis of the findings, conclusions, and recommendations contained therein. The

board shall hold a public hearing on the draft plan (AND DRAFT CERTIFICATE OR CERTIFICATES OF NEED) within 30 days of (THEIR) *its* issuance. Notices of the draft plan (AND THE DRAFT CERTIFICATE OR CERTIFICATES) and notice of the hearing (SHALL) *must* be published in the state register and newspapers of general circulation in the state. The notices must indicate how copies of the draft plan (AND DRAFT CERTIFICATE OR CERTIFICATES OF NEED) may be obtained. The board shall make the draft plan (AND DRAFT CERTIFICATE OR CERTIFICATES OF NEED) available for public review and comment at least 21 days before the hearing. The hearing (SHALL) *must* be ordered by the chairperson of the board and (SHALL) *must* be conducted by the state office of administrative hearings in a manner consistent with the completion of the proceedings in the time allowed by this section. The hearing officer (SHALL) *may* not issue a report but shall preside at the hearing to ensure that the hearing is conducted in a fair, orderly, and expeditious manner and in accordance with the hearing procedures of the board. A majority of the permanent members of the board shall attend the hearing. In connection with the hearing, the chairperson of the board shall provide copies of the studies and reports on which the draft plan (AND CERTIFICATION OF NEED ARE) *is* based and shall present an explanation of the basis of the findings, conclusions, and recommendations in the draft plan (AND CERTIFICATION OF NEED).

Within 15 days following the hearing the director of the agency shall issue a hazardous waste pollution control report. The report must be submitted to the legislative commission. The report must be based on existing and proposed federal and state pollution control rules and available information and expertise on the character, nature, and degree of hazard of the types and categories of hazardous waste identified in the plan. The report must:

(a) assess the pollution control problems and risks associated with each type and category of hazardous waste identified by the (DRAFT CERTIFICATION OF NEED) *plan* as eligible for disposal, before or after pretreatment, at a facility or facilities of the type and design selected by the board, and identify design and pretreatment alternatives or other methods for dealing with those problems and risks;

(b) identify at least one specific alternative technology for dealing with each waste (WHICH) *that* the report recommends should not be (CERTIFIED) *accepted* for disposal, and assess the pollution control problems and risks associated with the alternatives;

(c) assess the pollution control problems and risks associated with each standard and criteria contained in the plan

(AND CERTIFICATION) for determining the eligibility or ineligibility of waste for disposal;

(d) assess the pollution control programs and risks associated with the processing and other alternatives to disposal (WHICH) that are recommended in the plan for specific types or categories of hazardous waste, and identify methods for dealing with those problems and risks.

Within 30 days following the hearing, the board shall revise the draft plan (AND THE DRAFT CERTIFICATE OR CERTIFICATES OF NEED) as it deems appropriate, shall make a written response to the testimony received at the hearing and to the agency's report explaining its disposition of any recommendations made with respect to the plan (AND CERTIFICATION), and shall submit to the legislative commission the revised draft plan (AND CERTIFICATION OF NEED), together with a report on the testimony received, the board's response, and the results of the hearing process.

Sec. 8. [115A.152] [TECHNICAL AND RESEARCH ASSISTANCE TO GENERATORS.]

*Subdivision 1. [PURPOSES.] The board shall provide for the establishment of a technical and research assistance program for generators of hazardous waste in the state. The program must be designed to assist generators in the state to obtain information about management of hazardous wastes, to identify and apply methods of reducing the generation of hazardous wastes, to facilitate improved management of hazardous waste and compliance with hazardous waste regulations, and for other similar purposes. The program must emphasize assistance to smaller businesses that have inadequate technical and financial resources for obtaining information, assessing waste management methods, and developing and applying waste reduction techniques. Information and techniques developed under this program must be made available through the program to all generators in the state.*

*Subd. 2. [ASSISTANCE.] The assistance program must include at least the following elements:*

*(a) outreach programs including on-site consultation at locations where hazardous waste is generated, seminars, workshops, training programs, and other similar activities designed to assist generators to evaluate their hazardous waste generation and management practices, identify opportunities for waste reduction and improved management, and identify subjects that require additional information and research;*

*(b) a program to assemble, catalog, and disseminate information about hazardous waste reduction and management*

methods, available commercial waste management facilities and consultant services, and regulatory programs (provided that specific questions by generators about interpretation or application of waste management rules or regulations should be referred to appropriate regulatory agencies);

(c) evaluation and interpretation of information needed by generators to improve their management of hazardous waste; and

(d) informational and technical research to identify alternative technical solutions that can be applied by specific generators to reduce the generation of hazardous waste.

**Subd. 3. [ADMINISTRATION; EVALUATION.]** *The assistance program must be coordinated with other public and private programs that provide management and technical assistance to smaller businesses and generators of small quantities of hazardous waste, including programs operated by public and private educational institutions. The board may make grants to a public or private person or association that will establish and operate the elements of the program, but the grants must require that the assistance be provided at no cost to the generators and that the grantees provide periodic reports on the improvements in waste management, waste reduction, and regulatory compliance achieved by generators through the assistance provided.*

**Sec. 9. [115A.154] [WASTE REDUCTION GRANTS.]**

**Subdivision 1. [PROPOSALS AND GRANTS.]** *The board may make grants to generators of hazardous waste in the state for studies to determine the feasibility of applying specific methods and technologies to reduce the generation of hazardous waste. Grants may be awarded only on the basis of proposals submitted to the board by generators. The board shall select proposals that offer the greatest opportunity to significantly reduce the generation of hazardous waste by the generators making the proposal and, if applied generally, to significantly reduce the generation of hazardous waste in the state. The significance of waste reduction may be measured by the volume of hazardous waste that is eliminated or by the reduction in risk to public health and safety and the environment that is achieved by the reduction. In awarding grants, the board may consider the extent of any financial and technical support that will be available from other sources for the study. The board may adopt additional criteria for awarding grants consistent with the purposes of this section.*

**Subd. 2. [LIMITATIONS.]** *The waste reduction information and techniques developed using grants awarded under this section must be made available to all generators in the state*

*through the technical assistance and research program established under section 8. Grant money awarded under this section may not be spent for capital improvements or equipment.*

**Sec. 10. [115A.156] [WASTE PROCESSING AND COLLECTION FACILITIES AND SERVICES; DEVELOPMENT GRANTS.]**

*Subdivision 1. [PURPOSE.] The board may make grants to eligible recipients to determine the feasibility and method of developing and operating specific types of commercial facilities and services for collecting and processing hazardous waste, including integrated facilities designed for both processing and disposal of hazardous waste. Grants may be made for:*

- (1) market assessment, including generator surveys;*
- (2) conceptual design and preliminary engineering;*
- (3) financial and business planning necessary to address sources of funding, financial security, liability, pricing structure, and similar matters necessary to the development and proper operation of a facility or service;*
- (4) environmental impact and site analysis, preparation of permit applications, and environmental and permit reviews;*
- (5) analysis of methods of overcoming identified technical, institutional, legal, regulatory, market, or other constraints; and*
- (6) analysis of other factors affecting development, operation, and use of a facility or service.*

*Subd. 2. [ELIGIBILITY.] A person proposing to develop and operate specific collection and processing facilities or services to serve generators in the state is eligible for a grant. The board may give preference to applications by associations of two or more generators in the state proposing to develop and operate commercial facilities or services capable of collecting or processing their hazardous wastes.*

*Subd. 3. [PROCEDURE FOR AWARDED GRANTS.] The board may establish procedures for awarding grants under this section. The procedures for awarding grants shall include consideration of the following factors:*

- (1) the need to provide collection and processing for a variety of types of hazardous wastes;*
- (2) the extent to which the facility or service would provide a significant amount of processing or collection capacity for waste generated in the state, measured by the volume of waste*

to be managed, the number and geographic distribution of generators to be served, or the reduction of risk to public health and safety and the environment achieved by the operation of the facility or service;

(3) the availability of the facility or service to all generators needing the service in the area to be served;

(4) the contribution of the facility or service to achieving the policies and objectives of the hazardous waste management plan;

(5) participation by persons with demonstrated experience in developing, designing, or operating hazardous waste collection or processing facilities or services;

(6) the need for assistance from the board to accomplish the work;

(7) the extent to which a proposal would produce and analyze new information; and

(8) other factors established by the board consistent with the purposes of this section.

The board may adopt temporary rules under sections 14.29 to 14.36 to implement the grant program. Temporary rules adopted by the board remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.

Subd. 4. [LIMITATIONS.] A grant may not exceed \$50,000. The board may award more than one grant for a single proposed facility or service if the board finds that results of previous studies justify additional work on other aspects of the development and operation of the facility or service. Grant money may not be spent for capital improvements or equipment.

Subd. 5. [MATCHING FUNDS REQUIRED.] A recipient other than an association of generators in the state must agree to pay at least 50 percent of the cost of the study. An association of two or more generators in the state must agree to pay at least 20 percent of the cost of the study.

## Sec. 11. [115A.158] [DEVELOPMENT OF PROCESSING AND COLLECTION FACILITIES AND SERVICES; REQUESTS FOR PROPOSALS.]

Subdivision 1. [REQUEST BY BOARD; CONTENTS OF PROPOSAL.] The board through its chairperson shall request proposals for the development and operation of specific types of commercial hazardous waste processing and col-



lection facilities and services, including integrated facilities designed for both processing and disposal of hazardous waste, that offer the greatest possibility of achieving the policies and objectives of the waste management plan including the goal of reducing to the greatest extent feasible and prudent the need for and practice of disposal. The proposals must contain at least the following information:

(1) the technical, managerial, and financial qualifications and experience of the proposer in developing and operating facilities and services of the type proposed;

(2) the technical specifications of the proposed facility or service including the process that will be used, the amount and types of hazardous waste that can be handled, the types, volume, and proposed disposition of any residuals, and a description of anticipated adverse environmental effects;

(3) the requirements of the site or sites needed to develop and operate the facility or service and the likelihood that a suitable site or sites will be available for the facility or service;

(4) projections of the costs and revenues of the facility or service, the types and numbers of generators who will use it, and the fee structure and estimated user charges necessary to make the facility or services economically viable;

(5) the schedule for developing and commencing operation of the facility or service; and

(6) the financial, technical, institutional, legal, regulatory, and other constraints that may hinder or prevent the development or operation of the facility or service and the actions that could be taken by state and local governments or by the private sector to overcome those constraints.

The information provided in the proposal must be based on current and projected market conditions, hazardous waste streams, legal and institutional arrangements, and other circumstances specific to the state.

Subd. 2. [PROCEDURE; EVALUATION; REPORT.] In requesting proposals, the board shall inform potential developers of the assistance available to them in siting and establishing hazardous waste processing and collection facilities and services in Minnesota including the availability of sites listed on the board's inventory of preferred areas for hazardous waste processing facilities, the authority of the board to acquire sites and order the establishment of facilities in those areas, the policies and objectives of the hazardous waste management plan, and the availability of information developed by the board on hazardous waste generation and management in the state.

*The board shall evaluate the proposals received in response to its request and determine the extent to which the proposals demonstrate the qualifications of the developers, the technical and economic feasibility of the proposed facility or service, and the extent to which the proposed facility or service will contribute in a significant way to the achievement of the policies and objectives of the hazardous waste management plan.*

*The board shall report to the legislative commission on the proposals that it has received and evaluated, and on the legislative, regulatory, and other actions needed to develop and operate the proposed facilities or services.*

*Subd. 3. [TIME FOR PROPOSALS.] The board shall issue the first round of requests under this section by June 1, 1984. The first round proposals must be returned to the board by November 1, 1984. The board shall submit its report on these proposals to the legislative commission by January 1, 1985. The board may issue additional requests in 1985 and in future years.*

**Sec. 12. [115A.159] [DEVELOPMENT OF HAZARDOUS WASTE COLLECTION AND TRANSPORTATION SERVICES.]**

*The board through its chairperson shall request, pursuant to the first round of requests under section 11, proposals for the development and operation of a system of commercial collection and transportation services for hazardous waste especially designed to serve smaller businesses and generators of small quantities of hazardous waste that have difficulty securing effective and reliable collection and shipment services and acceptance of wastes at appropriate waste facilities. The board's request under this section should require proposals containing at least the following elements:*

- (1) a collection service;*
- (2) assistance to clients about on-site waste management;*
- (3) a shipping coordination service, which may include transfer and temporary storage and bulking facilities and computerized inventory tracking capabilities, as the proposer deems appropriate and necessary to provide efficient and reliable combined shipment of wastes from generators to processing and disposal facilities;*
- (4) a brokerage service to ensure acceptance of wastes at appropriate processing and disposal facilities;*
- (5) recommendations on the utility of local or regional associations of generators to increase the efficiency and reliability of the services; and*

(6) recommendations on processing facilities, including mobile modular processing units, that would complement the collection and transportation system.

The board's request must require proposals that offer the delivery of services in stages commencing no later than July 1, 1985. The board should specify or require specification of immediate and staged performance standards for the services proposed, which may include standards relating to the volume and types of waste, the number and geographic distribution of generators served, accessibility, the percent of total waste and generators served, and other appropriate matters. After evaluating proposals received in response to its request, the board may select a proposer as the recipient of a development grant under section 10. Notwithstanding the provisions of section 10, subdivisions 4 and 5, on the amount of the grant and the required match, the grant made under this section may be up to \$350,000 and may not require a match greater than ten percent of the grant award.

Sec. 13. [115A.162] [HAZARDOUS WASTE PROCESSING FACILITY LOANS.]

The board shall review applications for hazardous waste processing facility loans received by the economic development authority and forwarded to the board under section 54. The board may certify a loan application only if it determines that:

- (1) the applicant has demonstrated that the proposed facility is technically feasible;
- (2) the applicant has made a reasonable assessment of the market for the services offered by the proposed facility;
- (3) the applicant has agreed to provide funds for the proposed facility in an amount equal to at least 25 percent of the capital cost of the facility excluding land acquisition cost;
- (4) the applicant has agreed to pay the cost of any land acquisition necessary to develop the facility; and
- (5) the facility will contribute in a significant way to achievement of the policies and objectives of the hazardous waste management plan and, in particular, to reduce the need for and practice of hazardous waste disposal.

As a condition of its certification the board may require an applicant to agree to provide funds in excess of 25 percent of the capital cost of the facility in addition to any land acquisition costs. In certifying an application or in determining the share of the capital costs that will be provided by the loan, the board may

*consider the types and volumes of hazardous waste that will be handled by the facility, the number of generators served by the facility, and the extent to which the facility serves the need of smaller businesses that generate hazardous waste. The board may establish additional criteria for certifying loan applications consistent with the provisions of this section.*

*The board may adopt temporary rules under sections 14.29 to 14.36 to implement the loan program. Temporary rules adopted by the board remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.*

**Sec. 14. [115A.165] [EVALUATION OF PROGRAMS; REPORT.]**

*By November 1, 1986, the board shall evaluate the extent to which the programs provided in sections 8 to 13 have contributed to the achievement of the policies and objectives of the hazardous waste management plan. The evaluation must consider the amount of waste reduction achieved by generators through the technical and research assistance and waste reduction grant programs and the progress in reducing the need for and practice of disposal achieved through the development grants and the request for proposal program. The board shall report the results of its evaluation to the legislative commission with its recommendations for further action.*

Sec. 15. Minnesota Statutes 1982, section 115A.18, is amended to read:

**115A.18 [LEGISLATIVE FINDINGS; PURPOSE.]**

The legislature finds that proper management of hazardous waste generated in the state is needed to conserve and protect the natural resources in the state and the health, safety, and welfare of its citizens, that the establishment of safe *commercial disposal facilities (IS) in the state may be necessary and practicable* to properly manage the waste, that this cannot be accomplished solely by the activities of private persons and political subdivisions acting alone or jointly, and that therefore it is necessary to provide a procedure for making final determinations on *whether commercial disposal facilities should be established in the state and on the locations, sizes, types, and functions of any such facilities.*

Sec. 16. Minnesota Statutes 1983 Supplement, section 115A.-21, subdivision 1, is amended to read:

Subdivision 1. [SELECTION.] The board shall select (AT LEAST FOUR LOCATIONS) *more than one location* in the state, no more than one site per county, as candidate sites for

commercial disposal facilities for hazardous waste. Candidate sites (SELECTED BY THE BOARD BEFORE FEBRUARY 1, 1983, AND ADDITIONAL CANDIDATE SITES SELECTED PURSUANT TO THIS SECTION,) must be reviewed pursuant to sections 115A.22 to 115A.30. No location shall be selected as a candidate site unless the agency certifies its intrinsic suitability for the use intended pursuant to subdivision 2a.

Sec. 17. Minnesota Statutes 1983 Supplement, section 115A.-21, is amended by adding a subdivision to read:

*Subd. 1a. [VOLUNTEER CANDIDATE SITES.] The board may select candidate sites under this subdivision in addition to sites selected under subdivision 1. The board may submit a site to the agency if the site is proposed as a candidate site by a facility operator with the approval of the owners of the site and the statutory or home rule charter city or town and county in which the site is located. A location may be selected as a candidate site under this subdivision if the agency determines and certifies that the site is intrinsically suitable for the use intended. The director of the agency shall identify the information needed by the agency to make the determination of intrinsic suitability. The board shall obtain the necessary information and provide it to the director.*

*The director of the agency shall make a recommendation to the agency board on intrinsic suitability within 30 days after receiving the information from the board. The agency board shall make the determination on intrinsic suitability not later than the first regular meeting of the agency board held at least ten days after the director's recommendation.*

*The decisions of the board and the agency under this subdivision are not subject to the contested case or rulemaking provisions of chapter 14, or the procedures provided in subdivision 2a.*

Sec. 18. Minnesota Statutes 1983 Supplement, section 115A.-22, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] In order systematically to involve those who would be affected most directly by disposal facilities in all decisions leading to their establishment, the board's decisions on reports referred to in subdivision 7, the plan adopted under section 115A.11, and the (CERTIFICATION OF NEED) estimates and analysis required under section 115A.24 shall not be made until after the establishment of local project review committees for each candidate site, with representation on the board, pursuant to this section.

Sec. 19. Minnesota Statutes 1983 Supplement, section 115A.-22, subdivision 4, is amended to read:

Subd. 4. [APPOINTMENT OF TEMPORARY BOARD MEMBERS.] Within 30 days following the appointment of a local project review committee, the local committee shall select a temporary board member to be added to the board for the purposes of the reports to be issued under section 115A.08, the plan to be adopted under section 115A.11, and the (NEED CERTIFICATIONS) *estimates, the analysis and the review of candidate sites* conducted under sections 115A.18 to 115A.30. Temporary board members shall not participate or vote in decisions affecting the selection and certification of sites under sections 115A.201 and 115A.21. If a local committee fails to appoint a temporary board member within the time permitted by this subdivision, the governor shall appoint a temporary board member to represent the committee on the board. Temporary board members may be members of the local project review committee, and they shall be residents of the county where the candidate site is located. Temporary board members shall serve for terms lasting as long as the location the member represents is a candidate site or, in the case of members representing (THE) a site or sites finally chosen for the facility, until the commencement of the operation of the facility at that site.

Sec. 20. Minnesota Statutes 1982, section 115A.24, is amended to read:

115A.24 [(CERTIFICATION OF NEED) DISPOSAL FACILITIES; ESTIMATE OF NEED; ANALYSIS OF ECONOMIC FEASIBILITY.]

Subdivision 1. [(CERTIFICATE) ESTIMATE OF NEED FOR DISPOSAL FACILITIES.] (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 board shall develop an estimate of the number, types, capacity, and function or use of (THE) any hazardous waste disposal facilities needed in the state. (BEFORE FINALLY ADOPTING THE CERTIFICATE OF NEED THE BOARD SHALL SUBMIT IT TO THE AGENCY FOR A REVISION OF THE HAZARDOUS WASTE POLLUTION CONTROL REPORT REQUIRED UNDER SECTION 115A.11, SUBDIVISION 2.)*

*In developing its estimate the board shall:*

(1) *prepare a preliminary estimate of the types and quantities of waste generated in the state for which disposal will be*

*needed through the year 2000 based to the extent practical on data obtained from generators who are likely to use the facility;*

*(2) estimate the disposal capacity located outside of the state, taking into account the status of facility permits, current and planned capacity, and prospective restrictions on expansion of capacity;*

*(3) estimate the prospects for the continued availability of capacity outside of the state for disposal of waste generated in the state;*

*(4) estimate the types and quantities of waste likely to be generated as residuals of the commercial hazardous waste processing facilities recommended by the board for development in the state and for which disposal will be needed, taking into account the likely users of the facilities; and*

*(5) compare the indirect costs and benefits of developing disposal facilities in the state or relying on facilities outside the state to dispose of hazardous waste generated in the state, taking into account the effects on business, employment, economic development, public health and safety, the environment, and the development of collection and processing facilities and services in the state.*

*In preparing the estimate, the board (SHALL CERTIFY NEED) may identify need for disposal 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 air, water, land and all other natural resources (, PROVIDED THAT THE BOARD SHALL REQUIRE THE ESTABLISHMENT OF AT LEAST ONE COMMERCIAL DISPOSAL FACILITY IN THE STATE). Economic considerations alone (SHALL) may not justify (CERTIFICATION) an estimate of need for disposal nor the rejection of alternatives. Alternatives that are speculative and conjectural (SHALL) are not (BE DEEMED TO BE) feasible and prudent. The board shall consider all technologies being developed in other countries as well as in the United States when it considers the alternatives to hazardous waste disposal. (THE CERTIFICATE OR CERTIFICATES SHALL NOT BE SUBJECT TO THE PROVISIONS OF CHAPTER 14 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 EXCEPT AS PROVIDED IN SECTION 115A.291. IN REVIEWING AND SELECTING SITES, COMPLETING AND DETERMINING THE ADEQUACY OF ENVIRONMENTAL IMPACT STATEMENTS, AND ISSUING APPROVALS AND PERMITS FOR*

WASTE DISPOSAL FACILITIES DESCRIBED IN THE CERTIFICATE OR CERTIFICATES OF NEED, MATTERS DETERMINED IN THE CERTIFICATION SHALL NOT BE RECONSIDERED EXCEPT AS OTHERWISE PROVIDED IN SECTION 115A.291. THE BOARD AND THE PERMITTING AGENCIES SHALL BE REQUIRED TO MAKE A FINAL DECISION APPROVING THE ESTABLISHMENT OF FACILITIES CONSISTENT WITH THE CERTIFICATION EXCEPT AS OTHERWISE PROVIDED IN SECTION 115A.291.)

Subd. 3. [RADIOACTIVE WASTE.] The board's (CERTIFICATE) *estimate* of need shall not allow the use of a facility for disposal of radioactive waste, as defined by section 116C.71, subdivision 6.

Subd. 4. [ECONOMIC FEASIBILITY ANALYSIS.] *The board shall prepare an economic feasibility analysis for disposal facilities of the type, capacity and function or use estimated by the board to be needed in the state under subdivision 1. The analysis must be specific to the sites where the facilities are proposed to be located. The analysis must include at least the following elements:*

(1) *an estimate of the capital, operating, and other direct costs of the facilities and the fee schedules and user charges necessary to make the facilities economically viable;*

(2) *an assessment of the other costs of using the disposal facilities, such as transportation cost and disposal surcharges;*

(3) *an assessment of the market for the facility for waste generated in the state, that identifies the generators that would use the facility under existing and likely future market conditions, describes the methods otherwise available to those generators to manage their wastes and the costs of using those methods, and establishes the level at which the cost of using the proposed facilities would be competitive with the cost of using other available methods of waste management;*

(4) *an estimate of the subsidy, if any, needed to make the facility competitive for Minnesota generators under existing market conditions and the changes in market conditions that would increase or lower any subsidy.*

Sec. 21. Minnesota Statutes 1983 Supplement, section 115A.-241, is amended to read:

115A.241 [PARTICIPATION BY FACILITY DEVELOPERS AND OPERATORS.]

The board shall solicit the participation of private developers and operators of waste facilities in the evaluation of hazardous



waste disposal sites and facility specifications. (TO QUALIFY FOR CONSIDERATION AS A DEVELOPER OR OPERATOR, A PERSON SHALL SUBMIT A LETTER.) *The board shall request developers and operators to submit letters of intent to participate in evaluating sites, economic feasibility of disposal facilities, and facility specifications. The letters must be submitted to the board (WITHIN 90 DAYS FOLLOWING THE PUBLICATION OF THE BOARD'S DRAFT PLAN PURSUANT TO SECTION 115A.08, SUBDIVISION 4) by September 1, 1984.* To qualify for selection as a developer or operator, a person shall submit operability reports to the board at least 60 days before the board's hearings under section 115A.27, and shall submit an amended report within 60 days following the decisions under section 115A.28. The letters of intent and reports (SHALL) *must* be in the form and contain the information deemed appropriate by the board.

Sec. 22. Minnesota Statutes 1983 Supplement, section 115A.-25, subdivision 1, is amended to read:

Subdivision 1. [ENVIRONMENTAL IMPACT STATEMENT.] A phased environmental impact statement (SHALL) *must* be completed by the board and the agency *before any permits are issued under section 115A.291.* The statement must be prepared and reviewed in accordance with chapter 116D and the rules issued pursuant thereto, except as otherwise required by this section and sections 115A.11 (, 115A.24), 115A.28, and 115A.30. The board and agency shall follow the procedures in subdivisions 2 and 3 in lieu of the scoping requirements of chapter 116D and rules issued pursuant thereto. The statement (SHALL) *must* be completed in two phases as provided in subdivisions 1a and 1b.

Sec. 23. Minnesota Statutes 1983 Supplement, section 115A.-25, subdivision 1a, is amended to read:

Subd. 1a. [PHASE I.] Phase I of the statement (SHALL) *must* be completed by the board on the environmental effects of the (BOARD'S DECISION ON SITES AND FACILITY SPECIFICATIONS) *decisions that the board is required to make* under section 115A.28. Phase I of the statement (SHALL) *must* not address or reconsider (ALTERNATIVE SITES OR FACILITY NUMBERS, TYPES, CAPACITY, FUNCTION, AND USE WHICH) *alternatives that have been eliminated from consideration by the board's decisions under sections 115A.201 and 115A.-21 (AND 115A.24).* The determination of the adequacy of phase I of the statement is exclusively the authority of the board. The governor shall establish an interagency advisory group to comment on the scope of phase I of the statement, to review drafts, and to provide technical assistance in the preparation and review of phase I of the statement. The advisory group (SHALL) *must* include representatives of the agency, the departments of natural resources, health, agriculture, energy, planning and development,

and transportation, and the Minnesota geological survey. In order to obtain the staff assistance necessary to prepare the statement, the chairperson of the board may request reassignment of personnel pursuant to section 16.21 and may arrange to have other agencies prepare parts of the statement pursuant to section 16.135.

Sec. 24. Minnesota Statutes 1983 Supplement, section 115A.-25, subdivision 1b, is amended to read:

Subd. 1b. [PHASE II.] Phase II of the statement (SHALL) *must* be completed by the agency as a supplement to phase I specifically for the purpose of examining the environmental effects of (THE) *any* permitting decisions *that may be* required to be made by the permitting agencies under section 115A.291. In preparing, reviewing, and determining the adequacy of phase II of the statement, the agency shall not repeat or duplicate the research and analysis contained in phase I of the statement, unless the agency determines that the information available is not adequate or that additional information is necessary to examine the environmental effects of the permitting decisions. Phase II of the statement (SHALL) *may* not address or reconsider (ALTERNATIVE SITES AND FACILITY NUMBERS, TYPES, CAPACITY, FUNCTION, AND USE WHICH) *alternatives that* have been eliminated from consideration by the board's decisions under sections 115A.201, 115A.21, (115A.24,) and 115A.28. The determination of adequacy of phase II of the statement must be made by the agency within 180 days following submission of the preliminary permit application or applications under section 115A.291. The determination of the adequacy of phase II of the statement is exclusively the authority of the agency.

Sec. 25. Minnesota Statutes 1983 Supplement, section 115A.-26, is amended to read:

115A.26 [AGENCIES; REPORT ON PERMIT CONDITIONS AND APPLICATION REQUIREMENTS.]

Within 30 days following the board's determination of the adequacy of phase I of the environmental impact statement, and after consulting with the board, facility developers, affected local government units, and the local project review committees, the chief executive officer of each permitting state agency shall issue to the board draft reports on permit conditions and permit application requirements at each candidate site. The reports must indicate, to the extent possible based on existing information, the probable terms, conditions, and requirements of permits, including the types and categories of waste eligible for disposal with or without pretreatment, and the probable supplementary documentation that will be required for phase II of the environmental impact statement under section 115A.25 and for permit

applications under section 115A.291. The reports may be revised following the hearings under section 115A.27 as the chief executive officer deems necessary. (THE REPORTS MUST BE CONSISTENT WITH THE ESTABLISHMENT OF FACILITIES IN ACCORDANCE WITH THE CERTIFICATION OF NEED.)

Sec. 26. Minnesota Statutes 1983 Supplement, section 115A.-27, subdivision 2, is amended to read:

Subd. 2. [BOARD HEARINGS.] Within 120 days following the board's determination of the adequacy of phase I of the environmental impact statement under section 115A.25, the board shall conduct a hearing in each county containing a candidate site, for the purpose of receiving testimony on the decisions required under section 115A.28. The hearings (SHALL) *must* be ordered by the chairperson of the board. The subject of the board hearing (SHALL) *may* not extend to matters previously decided in the board's decision on sites under (SECTION) *sections 115A.201 and 115A.21 (AND THE CERTIFICATE OF NEED ISSUED UNDER SECTION 115A.24). The record of the hearings must include the estimate of need for disposal facilities and the economic feasibility analysis prepared under section 115A.24, the phase I environmental impact statement, and the reports on permit conditions issued under section 115A.26.* The hearing (SHALL) *must* be conducted for the board by the state office of administrative hearings in a manner consistent with the completion of the proceedings in the time allowed. The proceedings and the hearing procedures are not subject to the rule-making or contested case provisions of chapter 14. The hearing officer (SHALL) *may* not issue a report but shall preside at the hearings to ensure that the hearings are conducted in a fair, orderly, and expeditious manner and in accordance with the hearing procedures of the board. A majority of the permanent members of the board shall be present at the hearing.

Sec. 27. Minnesota Statutes 1983 Supplement, section 115A.28, subdivision 1, is amended to read:

Subdivision 1. [DECISION OF BOARD.] Within 60 days following the conclusion of the hearings under section 115A.27, subdivision 2, and after consulting with private facility developers, the permitting agencies, affected local government units, and the local project review committees, *if the board decides that a disposal facility not be developed in the state, it shall dismiss the candidate sites from further consideration. If the board determines that a disposal facility should be developed and the board shall (FINALLY) select (THE) a site or sites (FOR THE FACILITIES AND THE DEVELOPER AND OPERATOR OF THE FACILITY AND SHALL PRESCRIBE FURTHER SPECIFICATIONS ON) and specify the number, type, capacity, function, and use of (THE) any facilities (AS*

THE BOARD DEEMS APPROPRIATE, CONSISTENT WITH THE BOARD'S CERTIFICATION OF NEED ISSUED UNDER SECTION 115A.24) *to be established under sections 115A.18 to 115A.30. Sites that are not selected by the board cease to be candidate sites.* If the chairperson of the board determines that an agency report on permit conditions and application requirements has been substantially revised following hearings held pursuant to section 115A.27, subdivision 2, the chairperson may delay the decision for 30 days and may order a public hearing to receive further testimony on the sites and facilities to be established. The proceeding (SHALL) *must* be conducted as provided in section 115A.27, subdivision 2, except that hearings shall not be separately held in the affected counties and the issues relating to all agency reports (SHALL) *must* be considered at one hearing. (THE BOARD'S DECISION SHALL PROVIDE FOR THE ESTABLISHMENT OF FACILITIES CONSISTENT WITH THE BOARD'S CERTIFICATION OF NEED.)

*The board may not make any final decision under this subdivision until the board:*

(1) *determines the current status of and future prospects for the final development of commercial hazardous waste processing facilities in the state based on the responses to the board's requests for proposals, the results of the board's processing facility development grant and loan programs, and any applications which have been filed for processing facility operation permits; and*

(2) *adjusts the estimate of need prepared under section 115A.24 to reflect the types and quantities of hazardous waste likely to be generated as residuals of processing facilities based on the board's determination under clause (1).*

Sec. 28. Minnesota Statutes 1983 Supplement, section 115A.-291, is amended to read:

115A.291 [PERMITS.]

Research and analysis necessary to the permit applications and permit decisions required under this chapter, and the supporting environmental study, must commence immediately following the board's decision (UNDER SECTION 115A.28) *to apply for permits under this section.* Within 180 days following its (FINAL DECISION) *decisions* under section 115A.28, the board shall *conclude its analysis of the financial requirements for the facility and shall decide whether to submit, or cause to be submitted by a developer and operator selected by the board,* a preliminary application for permits for a facility or facilities consistent with its decision under section 115A.28. Following

review by the permitting agencies and within 60 days following the agency's determination of the adequacy of phase II of the environmental impact statement, the board shall revise the application, or cause it to be revised, in accordance with the recommendations of the permitting agencies. In preparing its revised permit application, the board may amend its (CERTIFICATION OF NEED ISSUED UNDER SECTION 115A.24 OR ITS) facility specifications under section 115A.28, if the board finds and determines, based upon the recommendations of the permitting agencies, that: (a) the amendments are necessary to secure permits for the construction and operation of the proposed facility at the proposed site, and (b) the recommendations and amendments are the result of new information or rules produced after the board's decisions under (SECTIONS 115A.24 AND) section 115A.28. Within 210 days following the submission of the revised permit application, the permitting agencies shall issue the necessary permits unless the pollution control agency determines that the facility or facilities proposed for permitting present environmental problems which cannot be addressed through the imposition of permit conditions. *The permits may not allow the use of the facility for disposal of radioactive waste, as defined by section 116C.71, subdivision 6.*

Sec. 29. Minnesota Statutes 1982, section 115A.46, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] Plans shall address the state policies and purposes expressed in section 115A.02. Plans for the location, establishment, operation, maintenance, and post-closure use of facilities and facility sites, for ordinances, and for licensing, permit, and enforcement activities shall be consistent with the rules adopted by the agency pursuant to chapter 116. Plans shall address the resolution of conflicting, duplicative, or overlapping local management efforts. Plans shall address the establishment of joint powers management programs or waste management districts where appropriate. Plans proposing a designation of resource recovery facilities pursuant to sections 115A.70 and 400.162 shall be submitted to the waste management board for review and approval or disapproval. The review shall be based on whether the plans conform to the requirements of this section. The board may require revision of a plan as a condition of its approval. Plans shall address other matters as the rules of the agency may require consistent with the purposes of sections 115A.42 to 115A.46. Political subdivisions preparing plans under sections 115A.42 to 115A.46 shall consult with persons presently providing solid waste collection, processing, and disposal services. Plans (PREPARED BY LOCAL UNITS OF GOVERNMENT IN THE METROPOLITAN AREA SHALL CONFORM TO THE REQUIREMENTS OF CHAPTER 473) *shall be approved by the agency, or the metropolitan council pursuant to section 473.803. After initial approval, each plan shall be updated every five years and revised as necessary for further approval.*

Sec. 30. Minnesota Statutes 1982, section 115A.46, subdivision 2, is amended to read:

Subd. 2. [CONTENTS.] The plans shall describe existing collection, processing, and disposal systems, including schedules of rates and charges, financing methods, environmental acceptability, and opportunities for improvements in the systems. The plans shall include an estimate of the land disposal capacity in acre-feet which will be needed through the year 2000, on the basis of current and projected waste generation practices. (THE PLANS SHALL CONTAIN AN ASSESSMENT OF OPPORTUNITIES TO REDUCE THE NEED FOR LAND DISPOSAL THROUGH WASTE REDUCTION AND RESOURCE RECOVERY, THE ALTERNATIVE DEGREES OF REDUCTION ACHIEVABLE, AND) *The plans shall require the most feasible and prudent reduction of the need for and practice of land disposal of mixed municipal solid waste. The plans shall address at least waste reduction, separation, and resource recovery, and shall include objectives, immediately and over specified time periods, for reducing the land disposal of mixed municipal solid waste. The plans shall describe specific functions to be performed and activities to be undertaken to achieve the abatement objectives and shall describe the estimated cost, proposed manner of financing, and timing of the functions and activities. The plans shall include a comparison of the costs of (ALTERNATIVES) the activities to be undertaken, including capital and operating costs, and the effects of the (ALTERNATIVES) activities on the cost to generators and on persons currently providing solid waste collection, processing, and disposal services. The plans shall include alternatives which could be used to achieve the abatement objectives if the proposed functions and activities are not established. The plans shall designate how public education shall be accomplished.* The plans shall, to the extent practicable and consistent with the achievement of other public policies and purposes, encourage ownership and operation of solid waste facilities by private industry. For solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations issued by a public agency, the plans shall include criteria and standards to protect comparable private and public facilities already existing in the area from displacement unless the displacement is required in order to achieve the waste management objectives identified in the plan. The plans shall establish a siting procedure and development program to assure the orderly location, development, and financing of new or expanded solid waste facilities and services sufficient for a prospective ten-year period, including estimated costs and implementation schedules, proposed procedures for operation and maintenance, estimated annual costs and gross revenues, and proposals for the use of facilities after they are no longer needed or usable. The plans shall describe existing and proposed county and municipal ordinances and license and permit requirements relating to solid waste management and shall describe existing and proposed regulation and enforcement procedures.

Sec. 31. Minnesota Statutes 1982, section 115A.70, is amended by adding a subdivision to read:

*Subd. 8. [AUTHORITY.] A waste management district possessing designation authority in its articles of incorporation may be authorized to designate a resource recovery facility under sections 32 to 41.*

Sec. 32. [115A.80] [DESIGNATION OF RESOURCE RECOVERY FACILITIES; PURPOSE.]

*In order to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery, the legislature finds and declares that it may be necessary pursuant to sections 32 to 41 to authorize a qualifying solid waste management district or county to designate a resource recovery facility.*

Sec. 33. [115A.81] [DEFINITIONS.]

*Subdivision 1. [SCOPE.] The terms used in sections 32 to 41 have the meanings given them in this section.*

*Subd. 2. [DESIGNATION.] "Designation" means a requirement by a waste management district or county that all or any portion of the solid waste that is generated within its boundaries or any service area thereof and is deposited within the state be delivered to a resource recovery facility identified by the district or county.*

Sec. 34. [115A.82] [ELIGIBILITY.]

*Facilities may be designated under sections 32 to 41 by (1) a solid waste management district established pursuant to sections 115A.62 to 115A.72 and possessing designation authority in its articles of incorporation; or (2) a county, but only for waste generated outside of the boundaries of a district qualifying under clause (1) or the Western Lake Superior Sanitary District established by Laws 1971, chapter 478, as amended.*

Sec. 35. [115A.83] [EXEMPTION.]

*The designation may not apply to or include: (1) materials that are separated from solid waste and recovered for reuse in their original form or for use in manufacturing processes; and (2) materials that are processed at another resource recovery facility at the capacity in operation at the time that the designation plan is approved by the reviewing authority.*

Sec. 36. [115A.84] [DESIGNATION PLAN.]

*Subdivision 1. [REQUIREMENT.] Before commencing the designation procedure under section 37, the district or county shall adopt a comprehensive solid waste management plan or, under chapter 473, a master plan. The comprehensive or master plan must include a plan for designation approved under this section.*

*Subd. 2. [DESIGNATION; PLAN CONTENTS.] (a) The designation plan must evaluate (1) the benefits of the designation, including the public purposes achieved by the conservation and recovery of resources, the furtherance of local and any district or regional waste management plans and policies, and the furtherance of the state policies and purposes expressed in section 115A.02; and (2) the estimated costs of the designation, including the direct capital, operating, and maintenance costs of the facility designated, the indirect costs, and the long-term effects of the designation.*

*(b) In particular the designation plan must evaluate:*

*(1) whether the designation will result in the recovery of resources or energy from materials which would otherwise be wasted;*

*(2) whether the designation will lessen the demand for and use of land disposal;*

*(3) whether the designation is necessary for the financial support of the facility;*

*(4) whether less restrictive methods for ensuring an adequate solid waste supply are available; and*

*(5) other feasible and prudent waste processing alternatives for accomplishing the purposes of the proposed designation, the direct and indirect costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators.*

*Subd. 3. [PLAN APPROVAL.] A district or county planning a designation for waste generated wholly within the metropolitan area defined in section 473.121 shall submit its designation plan to the metropolitan council for review and approval or disapproval. Other districts or counties shall submit the designation plan to the waste management board for review and approval or disapproval. The reviewing authority shall complete its review and make its decision within 90 days following submission of the plan for review. The reviewing authority shall approve the designation plan if the plan satisfies the requirements of subdivision 2.*

*Subd. 4. [EXCLUSION OF CERTAIN MATERIALS.] When it approves the designation plan, the reviewing authority*



may exclude from the designation materials that the reviewing authority determines will be processed at another resource recovery facility if:

(1) the other resource recovery facility is substantially completed or will be substantially completed within 18 months of the time that the designation plan is approved by the reviewing authority; and

(2) the other facility has or will have contracts for purchases of its product; and

(3) the materials are or will be under contract for delivery to the other facility at the time the other facility is completed.

In order to qualify for the exclusion of materials under this subdivision, the operator or owner of the other resource recovery facility shall file with the reviewing authority and the district or county or counties a written description of the facility, its intended location, its waste supply sources, purchasers of its products, its design capacity and other information that the reviewing authority and the district or county or counties may reasonably require. The information must be filed as soon as it becomes available but not later than the date when the county or district submits its designation plan for approval.

The reviewing authority may revoke the exclusion granted under this subdivision when it approves the designation ordinance under section 38 if in its judgment the excluded materials will not be processed at the other facility.

### Sec. 37. [115A.85] [PROCEDURE.]

Subdivision 1. [REQUIREMENT.] A district or county with an approved designation plan shall proceed as provided in this section when designating facilities. A district need not repeat the designation procedures in this section to the extent that the procedures have been completed by each county having territory in the district or by a joint powers board composed of each county having territory in the district.

Subd. 2. [HEARING.] The district or county shall hold a public hearing to take testimony on the designation. Notice of the hearing must be published in a newspaper of general circulation in the area for two successive weeks ending at least 15 days before the date of the hearing and must be mailed to political subdivisions, landfill operators, and licensed solid waste collectors who may be expected to use the facility. The notification must: (1) describe the area in which the designation will apply and the plans for the use of the solid waste; (2) specify the point or points of delivery of the solid waste; (3) estimate the types and quantities of solid waste subject to the designation;

and (4) estimate the fee to be charged for the use of the facilities and for any products of the facilities. A designation or contract for use is not invalid by reason of the failure of the district or county to provide written notice to an entity listed in this subdivision.

*Subd. 3. [NEGOTIATED CONTRACTS FOR USE.] During a period of 90 days following the hearing, the district or county shall negotiate with the persons entitled to written notice under subdivision 2 for the purpose of developing contractual agreements that will require use of the facilities proposed to be designated.*

*Subd. 4 [DESIGNATION DECISION.] At the end of the 90-day contract negotiation period the district or county may proceed to secure approval for and implement the designation as provided in section 38.*

**Sec. 38. [115A.86] [IMPLEMENTATION OF DESIGNATION.]**

*Subdivision 1. [DESIGNATION ORDINANCE.] (a) The district or county shall prepare a designation ordinance to implement a designation. The designation ordinance must: (1) define the geographic area and the types and quantities of solid waste subject to designation; (2) specify the point or points of delivery of the solid waste; (3) require that the designated solid waste be delivered to the specified point or points of delivery; (4) set out the procedures and principles to be followed by the county or district in establishing and amending any rates and charges at the designated facility; and (5) state any additional regulations governing waste collectors or other matters necessary to implement the designation.*

*(b) The designation ordinance must provide an exception for: (1) materials that are exempt or excluded from the designation under section 35 or 36, subdivision 4; and (2) materials otherwise subject to the designation for which negotiated contractual arrangements exist that will require and effect the delivery of the waste to the facility for the term of the contract.*

*Subd. 2. [APPROVAL.] A district or county whose designation applies wholly within the metropolitan area defined in section 473.121 shall submit the designation ordinance, together with any negotiated contracts assuring the delivery of solid waste, to the metropolitan council for review and approval or disapproval. Other districts or counties shall submit the designation ordinance, together with any negotiated contracts assuring the delivery of solid waste, to the waste management board for review and approval or disapproval. The reviewing authority shall complete its review and make its decision within 90 days following submission of the designation for review. The review-*

*ing authority shall approve the designation if it determines that the designation procedure specified in section 37 was followed and that the designation is based on a plan approved under section 36. The reviewing authority may attach conditions to its approval.*

*Subd. 3. [IMPLEMENTATION.] The designation may be placed into effect no less than 60 days following the approval required in subdivision 2. The effective date of the designation must be specified at least 60 days in advance. If the designation is not placed into effect within three years of approval, the designation must be resubmitted to the reviewing authority for approval or disapproval under subdivision 2.*

*Subd. 4. [EFFECT.] The designation is binding on all political subdivisions, landfill operators, solid waste generators, and solid waste collectors in the designation area.*

*Subd. 5. [AMENDMENTS.] Amendments to a designation ordinance must be submitted to the reviewing authority for approval. The reviewing authority shall approve the amendment if the amendment is in the public interest and in furtherance of the state policies and purposes expressed in section 115A.02. If the reviewing authority does not act within 90 days, the amendment is approved.*

**Sec. 39. [115A.87] [JUDICIAL REVIEW.]**

*An action challenging a designation must be brought within 60 days of the approval of the designation by the reviewing authority. The action is subject to section 562.02.*

**Sec. 40. [115A.88] [SERVICE GUARANTEE.]**

*The district or county may not arbitrarily terminate, suspend, or curtail services provided to any person required by contract or designation ordinance to use designated facilities without the consent of the person or without just cause.*

**Sec. 41. [115A.89] [SUPERVISION OF IMPLEMENTATION.]**

*The reviewing authority shall: (1) require regular reports on the implementation of each designation; (2) periodically evaluate whether each designation as implemented has accomplished its purposes and whether the designation is in the public interest and in furtherance of the state policies and purposes expressed in section 115A.02; and (3) report periodically to the legislature on its conclusions and recommendations.*

**Sec. 42. [115A.91] [CITATION.]**

Sections 43 to 49 may be cited as the "Landfill Abatement Act."

Sec. 43. [115A.92] [SOLID WASTE LANDFILL FEE.]

*Subdivision 1. [DEFINITIONS.] The definitions provided in this subdivision apply to sections 43 to 49.*

(a) "Commissioner" means the commissioner of revenue.

(b) "Market development" means the location and facilitation of economic markets for materials, substances, energy, or other products contained within or derived from waste.

(c) "Mixed municipal solid waste disposal facility" means real or personal property which is used for the land disposal of mixed municipal solid waste in Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties.

(d) "Operator" means:

(1) in the case of a mixed municipal solid waste disposal facility with an agency permit, the permittee; or

(2) in the case of a mixed municipal solid waste disposal facility without an agency permit, the person in control of the facility.

(e) "Response" has the meaning given it in section 115B.02, subdivision 18.

(f) "Solid waste disposal facility" means real or personal property which is used for the land disposal of solid waste.

*Subd. 2. [AMOUNT OF FEE; APPLICATION.] The operator of a mixed municipal solid waste disposal facility shall pay a fee on solid waste accepted and land disposed at the facility as follows:*

(a) A facility that weighs the waste which it accepts shall pay a fee of 50 cents per cubic yard based on equivalent cubic yards of waste accepted by the facility and collected at the entrance.

(b) A facility that does not weigh the waste which it accepts but that measures the volume of the waste collected at the entrance shall pay a fee of 50 cents per cubic yard of waste accepted.

(c) A facility that does not measure the weight or volume of waste accepted shall pay a fee based on equivalent cubic yards

accepted by the facility as determined by the agency. An operator who wishes to challenge the determination of the agency shall notify the agency of his intention and shall provide written evidence to the agency to support his challenge. The agency shall hold a single contested case hearing as necessary to determine any and all challenges to its determination under this subdivision. The decision of the agency shall be rendered not later than 60 days after the hearing.

Subd. 3. [PAYMENT OF FEE.] On or before the 20th day of each month each operator shall pay the fee due under this section for the previous month, using a form provided by the commissioner.

Subd. 4. [EXCHANGE OF INFORMATION.] Notwithstanding the provisions of section 116.075, the pollution control agency may provide the commissioner of revenue with the information necessary for the enforcement of this section. Information disclosed in a return filed under this section is public information. 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 under section 116.075 or is trade secret information classified under section 13.37. Information obtained in the course of an audit by the department of revenue shall be private or nonpublic data to the extent that it would not be directly divulged in a return.

Subd. 5. [PENALTIES; ENFORCEMENT.] The audit, penalty, and enforcement provisions applicable to taxes imposed under chapter 290 apply to the fees imposed under this section and shall be administered by the commissioner.

Subd. 6. [RULES.] The commissioner may adopt rules necessary to implement the provisions of this section.

Subd. 7. [ADMINISTRATIVE EXPENSES.] Any amount expended by the commissioner from a general fund appropriation to enforce and administer this section shall be reimbursed to the general fund and the amount necessary to make the reimbursement is appropriated from the landfill abatement fund to the commissioner of finance for transfer to the general fund.

Subd. 8. [DISPOSITION OF PROCEEDS.] The proceeds of the fees imposed under this section including interest and penalties shall be deposited as follows:

(a) one-half of the proceeds shall be deposited in the landfill abatement fund established in section 44; and

(b) one-half of the proceeds shall be deposited in the landfill contingency action fund established in section 45.

## Sec. 44. [115A.93] [LANDFILL ABATEMENT FUND.]

*Subdivision 1. [ESTABLISHMENT; PURPOSES.] The landfill abatement fund is created as an account in the state treasury in order to reduce to the greatest extent feasible and prudent the need for and practice of land disposal of mixed municipal solid waste. The fund shall consist of revenue deposited in the fund under section 43, subdivision 8, clause (a) and interest earned on investment of money in the fund. All repayments to loans made under this section shall be credited to the landfill abatement fund. Subject to appropriation by the legislature, the money in the fund may be spent only for the following purposes:*

*(1) solid waste management planning assistance under sections 115A.42 to 115A.46;*

*(2) grants and loans to any person for resource recovery projects and related public education under subdivision 3;*

*(3) grants and loans to any person for market development for reusable or recyclable waste materials; and*

*(4) administration and technical assistance by the metropolitan council as described in subdivision 2, clause (b).*

*Subd. 2. [ALLOCATION.] (a) Up to ten percent of the money in the fund may be appropriated for grants under subdivision 1, clause (3).*

*(b) Up to five percent of the money in the fund may be appropriated to the metropolitan council for technical assistance and grant administration.*

*Subd. 3. [RESOURCE RECOVERY PROJECTS.] Grants and loans may be made to any person for resource recovery projects. The grants and loans may include the cost of planning, acquisition of land and equipment, and capital improvements. Grants and loans under this subdivision for acquisition of land and equipment and for capital improvements may not exceed 50 percent of the cost of the project. Grants for public education may be made on the need for resource recovery projects. Grants for planning may not exceed 50 percent of the planning costs. No grant or loan shall be made until the metropolitan council has determined the total estimated capital cost of the project and ascertained that full financing of the project is assured. The grant and loan program under this section shall be administered by the metropolitan council. Except for those issued under subdivision 1, clauses (1), (3), and (4), grants and loans made to cities, counties, or solid waste management districts*

shall be made only in conformance with an approved solid waste plan pursuant to section 29.

**Sec. 45. [115A.94] [LANDFILL CONTINGENCY ACTION FUND.]**

*Subdivision 1. [ESTABLISHMENT.] The landfill contingency action fund is created as an account in the state treasury. The fund consists of revenue deposited in the fund under section 43, subdivision 8, clause (b); amounts recovered under section 43, subdivision 5; and interest earned on investment of money in the fund.*

**Subd. 2. [CLOSURE AND POSTCLOSURE, RESPONSE PAYMENTS.]** *Money in the fund may be spent for:*

*(1) reasonable and necessary expenses for closure and post-closure costs with respect to a mixed municipal solid waste disposal facility for a 20-year period after closure, if the agency determines that the operator or owner will not take the necessary actions requested by the agency for closure and postclosure in the manner and within the time requested; or*

*(2) reasonable and necessary response and postclosure costs at a mixed municipal solid waste disposal facility that has been closed for 20 years in compliance with the closure and post-closure rules of the agency.*

**Subd. 3. [DUTY TO PROVIDE INFORMATION.]** *The operator or owner of a mixed municipal solid waste disposal facility or a solid waste disposal facility shall provide the necessary information to the agency required by this act or by agency rules under this act.*

**Subd. 4 [ACCESS TO INFORMATION AND PROPERTY.]** *The agency or any member, employee, or agent thereof authorized by the agency, upon presentation of credentials, may:*

*(1) examine and copy any books, papers, records, memoranda, or data of any person who has a duty to provide information to the agency under this act; and*

*(2) enter upon any property, public or private, for the purpose of taking any action authorized by this section including obtaining information from any person who has a duty to provide the information, conducting surveys or investigations, and taking response action.*

**Subd. 5. [RECOVERY OF EXPENSES.]** *When the agency incurs response expenses at a facility, the agency is subrogated*

to any right of action which the operator or owner of the facility may have against any other person for the recovery of the expenses. The attorney general may bring an action to recover amounts spent by the agency under this section from persons who may be liable for them. Amounts recovered, including money paid under any agreement, stipulation, or settlement shall be deposited in the landfill contingency action fund.

Subd. 6. [CIVIL PENALTIES.] *The civil penalties of section 115.071 shall apply to anyone in violation of this section or the closure, postclosure, and financial responsibility rules under section 51. Any civil fines recovered shall be credited to the landfill contingency action fund. Civil fines recovered under other solid waste enforcement actions of the agency shall also be credited to the landfill contingency action fund.*

**Sec. 46. [115A.95] [OPERATOR OR OWNER LIABILITY FOR RESPONSE EXPENSES.]**

*The operator or owner of a mixed municipal solid waste disposal facility is not liable under any other law for response expenses taken by the agency at that facility, if the facility has been closed for 20 years in compliance with the closure and postclosure rules of the agency. Any provision of this section which relieves the operator or owner of a facility from liability for the payment of the agency's response expenses shall not be construed to affect the liability of any other person who may be liable for those expenses.*

**Sec. 47. [115A.96] [COUNTY FEE AUTHORITY.]**

*Counties may charge an additional fee to operators of mixed municipal solid waste disposal facilities within the county who are subject to section 43, subdivision 2, up to 25 cents per cubic yard.*

*The proceeds of the fees shall go to the county general fund and are to be used for landfill abatement purposes or response actions.*

**Sec. 48. [115A.97] [AGENCY ASSISTANCE.]**

*The agency shall cooperate and provide technical assistance to the fullest extent possible to any county required to meet agency rules and standards.*

**Sec. 49. [115A.98] [ORGANIZED COLLECTION STUDY.]**

*The metropolitan council shall study the need for a system to implement organized collection of residential, commercial, and industrial solid wastes in the metropolitan area. The council*



*shall submit the study to the legislative commission on waste management by June 1, 1985.*

Sec. 50. Minnesota Statutes 1983 Supplement, section 115B.22, subdivision 1, is amended to read:

Subdivision 1. [TAXES IMPOSED; EXCLUSIONS.] Each generator of hazardous waste shall pay the taxes imposed by this section based upon the volume and destination of the hazardous wastes generated. The taxes imposed by this section do not apply to hazardous wastes destined for recycling or reuse including waste accumulated, stored, or physically, chemically, or biologically treated before recycling or reuse, to used crankcase oil, to hazardous waste which is generated as a result of any response action, or to hazardous waste which meets applicable pretreatment standards or compliance schedules and is discharged to a public sewage treatment works, *or to hazardous waste that is generated as residue from a hazardous waste incineration facility that treats waste subject to taxation under subdivision 5.*

Sec. 51. Minnesota Statutes 1982, section 116.07, is amended by adding subdivisions to read:

*Subd. 4e. [CLOSURE AND POSTCLOSURE RULES.] The agency shall adopt rules establishing requirements for the closure of solid waste disposal facilities and for the postclosure care of closed facilities. The rules shall apply to all solid waste disposal facilities in operation at the time the rules are effective. Compliance with the rules shall be a condition of obtaining or retaining a permit to operate the facility. The rules shall provide standards and procedures for closing disposal facilities and for the care, maintenance, and monitoring of the facilities after closure that will prevent, mitigate, or minimize the threat to public health and the environment posed by closed disposal facilities.*

*Subd. 4f. [FINANCIAL RESPONSIBILITY RULES.] The agency shall adopt rules requiring the operator or owner of a solid waste disposal facility to submit to the agency proof of the operator's or owner's financial capability to provide reasonable and necessary response during the operating life of the facility and for 20 years after closure, and to provide for the closure of the facility and postclosure care required under agency rules. Proof of financial responsibility shall be required of the operator or owner of a facility receiving an original permit or a permit for expansion after adoption of the rules. Within 180 days of the effective date of the rules, proof of financial responsibility shall be required of an operator or owner of a facility with a remaining capacity of more than five years or 500,000 cubic yards that is in operation at the time the rules are adopted. Compliance with the rules shall be a condition of obtaining or retaining a permit to operate the facility.*

## Sec. 52. [116E.05] [PUBLIC EDUCATION.]

*The Minnesota environmental education board shall develop and disseminate curriculum materials for youth and adult education on the subject of waste management.*

Sec. 53. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:

*Subd. 8a. [HAZARDOUS WASTE PROCESSING FACILITY LOAN.] "Hazardous waste processing facility loan" means a loan for the acquisition, construction, or improvement of real and personal property to be used for the collection or processing of hazardous waste as those terms are defined in section 115A.03, subdivisions 5, 13, and 25.*

Sec. 54. Minnesota Statutes 1983 Supplement, section 116J.90, is amended by adding a subdivision to read:

*Subd. 4a. [HAZARDOUS WASTE PROCESSING FACILITY LOANS.] The authority may make, purchase, or participate in making or purchasing hazardous waste processing facility loans in any amount, and may enter into commitments therefore. A private person proposing to develop and operate a hazardous waste processing facility is eligible to apply for a loan under this subdivision. Applications must be made to the authority. The authority shall forward the applications to the waste management board for review pursuant to section 13. If the waste management board does not certify the application, the authority may not approve the application nor make the loan. If the waste management board certifies the application, the authority shall approve the application and make the loan if funds are available for it and if the authority finds that:*

*(1) development and operation of the facility as proposed by the applicant is economically feasible;*

*(2) there is a reasonable expectation that the principal and interest on the loan will be fully repaid; and*

*(3) the facility is unlikely to be developed and operated without a loan from the authority.*

*The authority and the waste management board shall establish coordinated procedures for loan application, certification, and approval.*

*The authority may use the economic development fund to provide financial assistance to any person whose hazardous waste processing facility loan application has been certified by the waste management board and approved by the authority, and for this purpose may exercise the powers granted in section 116J.89,*

*subdivision 1a, with respect to any loans made or bonds issued under this subdivision regardless of whether the applicant is an eligible small business.*

*The authority may issue bonds and notes in the aggregate principal amount of \$10,000,000 for the purpose of making, purchasing, or participating in making or purchasing hazardous waste processing facility loans. This amount is in addition to any other authority to issue bonds and notes under chapter 116J.*

*The authority may adopt temporary rules under sections 14.29 to 14.36 to implement the loan program under this subdivision. Temporary rules adopted by the authority remain in effect for 360 days or until permanent rules are adopted, whichever occurs first.*

Sec. 55. Minnesota Statutes 1982, section 400.04, is amended by adding a subdivision to read:

*Subd. 2a. [RIGHT OF ENTRY.] A county or authorized agent of the county may enter during normal business hours on public or private property to obtain information or conduct surveys or investigations to accomplish the purposes of the county under chapter 400 if reasonable notice is given and compensation is made for any damage to the property caused by the entrance and activity.*

Sec. 56. Minnesota Statutes 1982, section 400.04, subdivision 3, is amended to read:

*Subd. 3. [ACQUISITION, CONSTRUCTION AND OPERATION OF PROPERTY AND FACILITIES.] Notwithstanding any other law, a county may acquire, construct, enlarge, improve, repair, supervise, control, maintain, and operate (ANY AND ALL) solid waste facilities and other property and facilities needed, used, or useful for solid waste management purposes, and may purchase and lease materials, equipment, machinery and (SUCH) other personal property (AS IS) necessary for (SUCH) the purposes upon terms and conditions determined by the board, with or without advertisement for bids, including the use of conditional sales contracts and lease-purchase agreements. A county may employ (SUCH) the personnel (AS ARE) reasonably necessary for the care, maintenance and operation of (SUCH) the property and facilities. A county shall contract with private persons for the construction, maintenance, and operation of solid waste facilities where the facilities are adequate and available for use and competitive with other means of providing the same service.*

Sec. 57. Minnesota Statutes 1982, section 400.162, is amended to read:

400.162 [COUNTY DESIGNATION OF RESOURCE RECOVERY FACILITY.]

(THE AUTHORITY GRANTED TO COUNTIES BY THIS SECTION SHALL NOT APPLY WITHIN THE WESTERN LAKE SUPERIOR SANITARY DISTRICT ESTABLISHED BY LAWS 1971, CHAPTER 478, AS AMENDED, NOR WITHIN ANY SOLID WASTE MANAGEMENT DISTRICT ESTABLISHED UNDER SECTIONS 115A.62 TO 115A.72. IN ORDER TO ACCOMPLISH THE OBJECTIVES OF COUNTY WASTE MANAGEMENT, TO FURTHER THE STATE POLICIES AND PURPOSES EXPRESSED IN SECTION 115A.02, AND TO ADVANCE THE PUBLIC PURPOSES SERVED BY RESOURCE RECOVERY, THE LEGISLATURE FINDS AND DECLARES THAT IT MAY BE NECESSARY TO AUTHORIZE A COUNTY TO REQUIRE THAT ALL OR ANY PORTION OF THE SOLID WASTE THAT IS GENERATED WITHIN THE BOUNDARIES OF THE COUNTY OR ANY SERVICE AREA THEREOF AND IS DISPOSED OF IN THE STATE BE DELIVERED TO A RESOURCE RECOVERY FACILITY DESIGNATED BY THE COUNTY BOARD OR A TRANSFER STATION SERVING SUCH A FACILITY. ANY COUNTY DESIGNATION SHALL BE BASED UPON A PLAN PREPARED AND APPROVED IN CONFORMANCE WITH SECTION 115A.46 AND SHALL BE SUBMITTED PURSUANT TO SECTION 115A.071 FOR REVIEW AND APPROVAL OR DISAPPROVAL BY THE WASTE MANAGEMENT BOARD. IN ESTABLISHING, CONTINUING, AND TERMINATING THE DESIGNATION, THE COUNTY SHALL BE GOVERNED BY ALL STANDARDS, EXEMPTIONS, PROCEDURES, AND OTHER REQUIREMENTS PROVIDED IN SECTION 115A.70, SUBDIVISIONS 2 TO 6) *A qualifying county may be authorized to designate a resource recovery facility under sections 32 to 41.*

Sec. 58. Minnesota Statutes 1983 Supplement, section 473.149, subdivision 2d, is amended to read:

Subd. 2d. [LAND DISPOSAL ABATEMENT PLAN.]  
By January 1, (1984) 1985, after considering any county land disposal abatement proposals and waste stream analysis that have been submitted by that date, pursuant to section 473.803, subdivision 1b, the council shall amend its policy plan to include specific and quantifiable metropolitan objectives for abating (THE) to the greatest feasible and prudent extent the need for and practice of land disposal of mixed municipal solid waste and of specific components of the solid waste stream, either by type of waste or class of generator. The objectives must be stated in annual increments through the year 1990 and thereafter in five year increments through the year 2000. The plan (SHALL) must include a reduced estimate, based on the council's abatement objectives, of the added solid waste disposal capacity needed in appropriate sectors of the metropolitan area, stated

in annual increments through the year 1990 and thereafter in five year increments through the year 2000. (THE OBJECTIVES IN) The plan (SHALL BE BASED UPON STANDARDS) *must include measurable objectives* for (COUNTY) *local abatement of solid waste through resource recovery and waste reduction and separation programs and activities for each metropolitan county and for cities of the first class, the second class, and the third class, respectively, stated in annual increments through the year 1990 and in five year increments through the year 2000. The standards must be based upon and implement the council's metropolitan abatement objectives.* The council's plan (SHALL) *must include standards and procedures to be used by the council in determining (THAT) whether a metropolitan (COUNTIES HAVE NOT) county or class of cities within a metropolitan county has implemented the council's metropolitan land disposal abatement plan and (HAVE NOT MET) has achieved the (STANDARDS) objectives for (COUNTY) local abatement (PROGRAMS AND ACTIVITIES).* The council shall report on abatement to the legislative commission (ON ITS) *before January 1 of each year. The report must include an assessment of whether the objectives of the metropolitan abatement plan (AND ON) have been met and whether each county and each class of city within each county has achieved the objectives set for it in the council's plan. The report must recommend any legislation that may be required to implement the plan. If in any year the council reports that the objectives of the council's abatement plan have not been met, the council shall attach legislation to the report that reassigns appropriate governmental responsibilities among cities, counties, and metropolitan agencies so as to assure implementation and achievement of the metropolitan and local abatement plans and objectives.*

Sec. 59. Minnesota Statutes 1983 Supplement, section 473.149, subdivision 2e, is amended to read:

Subd. 2e. [SOLID WASTE DISPOSAL FACILITIES DEVELOPMENT SCHEDULE.] By January 1, (1984) 1985, after requesting and considering recommendations from the counties, cities, and towns, the council as part of its policy plan shall determine the number (AND CAPACITY) of sites *and the capacity of sites* to be acquired within each metropolitan county for solid waste disposal facilities in accordance with section 473.833. The council shall adopt a schedule (FOR DEVELOPMENT) of disposal (FACILITIES BY) *capacity to be developed in each county through the year 2000. The schedule (SHALL BE BASED UPON) may not allow capacity in excess of the council's reduced estimate of the disposal capacity needed because of the council's land disposal abatement plan, except as the council deems necessary to allow reallocation of capacity as required by this subdivision.* The council (MAY) *shall make the implementation of elements of the schedule, including the disposal capacity allocated to each county, contingent on actions of (THE COUNTIES) each county and class of city in*

*that county* in adopting and implementing (COUNTY) abatement plans pursuant to section 473.803, subdivision 1b (; AND). The council shall review the development schedule (AT LEAST) every (TWO YEARS) year and shall revise the development schedule (AS IT DEEMS APPROPRIATE) and the allocation of disposal capacity required for each county based on the progress made in (THE ADOPTION AND) *that county* in the implementation of the (COUNCIL AND COUNTY) council's abatement plans and achievement of metropolitan and local abatement objectives. The schedule may include procedures to be used by counties in selecting sites for acquisition pursuant to section 473.833. The schedule (SHALL) *must* include standards and procedures for council certification of need pursuant to section 473.823. The schedule (SHALL) *must* include a facility closure schedule and plans for post-closure management and disposition, for the use of property after acquisition and before facility development, and for the disposition of property and development rights, as defined in section 473.833, no longer needed for disposal facilities. The schedule (SHALL) *must* also include a closure schedule and plans for post-closure management for facilities in existence before the adoption of the development schedule.

Sec. 60. Minnesota Statutes 1982, section 473.181, subdivision 4, is amended to read:

Subd. 4. [SOLID WASTE.] The council shall review (COUNTY) solid waste (REPORTS, AND SOLID WASTE FACILITY PERMIT APPLICATIONS PURSUANT TO SECTIONS 473.803 AND 473.823) *management activities of local government units as provided in sections 473.801 to 473.834 and 32 to 41.*

Sec. 61. Minnesota Statutes 1983 Supplement, section 473.803, subdivision 1a, is amended to read:

Subd. 1a. [PROPOSED INVENTORY OF DISPOSAL SITES.] By October 15, 1981, each (COUNTY) *metropolitan county having a population of less than 300,000, as determined by the 1980 United States Census, shall adopt, by resolution of its governing body, an inventory of (FOUR) at least three proposed sites in the county suitable for mixed municipal solid waste disposal facilities 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. Each metropolitan county having a population greater than 300,000, as determined by the 1980 United States Census, shall adopt, by resolution of its governing body, an inventory of at least four proposed sites in the county that are suitable for mixed municipal solid waste disposal facilities and shall submit the inventory to the council for approval or disapproval. 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. Notwithstanding any plan, charter provision, law, ordinance, regulation, or other requirement of any state agency or political subdivision, no land shall be excluded from consideration for inclusion in the inventory except land determined by the agency to be intrinsically unsuitable. Each county shall provide to the agency data relating to the intrinsic suitability of the sites to be proposed for the inventory as soon as available. 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 14 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 within 90 days of the county's proposal of a site. 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 gen-

eration 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.

Sec. 62. Minnesota Statutes 1983 Supplement, section 473.803, subdivision 1b, is amended to read:

Subd. 1b. [LAND DISPOSAL ABATEMENT.] By April 1, 1982, after considering the council's disposal abatement report submitted to the counties pursuant to section 473.149, subdivision 2a, each county shall submit to the council a proposal to reduce to the greatest feasible and prudent extent the need for and practice of land disposal of mixed municipal solid waste. The proposal (SHALL) *must* address at least waste reduction, separation, and resource recovery. The proposal (SHALL) *must* include objectives, immediately and over specified time periods, for reducing the land disposal of mixed municipal solid waste generated within the county. The proposal (SHALL) *must* describe specific functions to be performed and activities to be undertaken by the county and cities and towns within the county to achieve the objectives and (SHALL) *must* describe the estimated cost, proposed manner of financing, and timing of the functions and activities. The proposal (SHALL) *must* include alternatives which could be used to achieve the objectives if the proposed functions and activities are not established. *By August 1, 1984, each county shall provide the council with an analysis of the solid waste generated in the county, by classification of generators and by composition.* Each county shall revise its master plan to include a land disposal abatement element to implement the council's land disposal abatement plan adopted under section 473.149, subdivision 2d, and shall submit the revised plan to the council for review under subdivision 2 within nine months after the adoption of the council's metropolitan abatement plan. *The county plan must embody and be consistent with at least the local abatement objectives for the county and cities within the county as stated in the council's plan.* The (PROPOSAL AND) master plan revision required by this subdivision (SHALL) *must* be prepared in consultation with (CITIES AND TOWNS WITHIN THE COUNTY, PARTICULARLY THE CITIES AND TOWNS IN WHICH A SOLID WASTE DISPOSAL FACILITY IS OR MAY BE LOCATED PURSUANT TO THE COUNTY MASTER PLAN) *the advisory committee established pursuant to subdivision 4.*

Sec. 63. Minnesota Statutes 1982, section 473.803, subdivision 2, is amended to read:



Subd. 2. [COUNCIL REVIEW.] The council shall review each master plan or revision thereof to determine whether it is consistent with the council's policy plan. If it is not consistent, the council shall disapprove and return the plan with its comments to the county for revision and resubmittal. The county (SHALL HAVE 90) *has 60 days to revise and resubmit the plan for council approval. Any county solid waste plan or report approved by the council prior to April 9, 1976, shall remain in effect until a new master plan is submitted to and approved by the council in accordance with this section.*

Sec. 64. Minnesota Statutes 1982, section 473.803, subdivision 3, is amended to read:

Subd. 3. [ANNUAL REPORT.] Each metropolitan county shall prepare and submit annually to the council for its approval a report containing information, as the council may prescribe in its policy plan, concerning solid waste generation and management within the county. The report shall include a statement of progress in achieving the land disposal abatement objectives (OF) *for the county and classes of cities in the county as stated in the council's policy plan and county master plan. The report (SHALL) must include a schedule of rates and charges in effect or proposed for the use of any solid waste facility owned or operated by or on its behalf, together with a statement of the basis for such charges.*

Sec. 65. Minnesota Statutes 1982, section 473.803, is amended by adding a subdivision to read:

*Subd. 4. [ADVISORY COMMITTEE.] By July 1, 1984 each county shall establish a solid waste management advisory committee to aid in the preparation of the county master plan and any revisions thereof. The committee must consist of one-third citizen representatives, one-third representatives from towns and cities within the county, and one-third representatives from private waste management firms. At least one-third of the members of the committee must be residents of towns or cities within the county containing solid waste disposal facilities and eligible solid waste disposal sites included in the council's disposal site inventory. Members of the council's solid waste advisory committee who reside in the county are members of the county advisory committee. A representative of the metropolitan council is an ex officio member of the committee.*

Sec. 66. Minnesota Statutes 1982, section 473.811, subdivision 10, is amended to read:

Subd. 10. [COUNTY DESIGNATION OF RESOURCE RECOVERY FACILITIES.] (THE AUTHORITY GRANTED TO METROPOLITAN COUNTIES BY THIS SUBDIVISION SHALL NOT APPLY WITHIN ANY SOLID WASTE MANAGEMENT DISTRICT ESTABLISHED UNDER SECTIONS

115A.62 TO 115A.72. IN ORDER TO ACCOMPLISH THE OBJECTIVES OF COUNTY WASTE MANAGEMENT, TO FURTHER THE STATE POLICIES AND PURPOSES EXPRESSED IN SECTION 115A.02, AND TO ADVANCE THE PUBLIC PURPOSES SERVED BY RESOURCE RECOVERY, THE LEGISLATURE FINDS AND DECLARES THAT IT MAY BE NECESSARY TO AUTHORIZE A COUNTY TO REQUIRE THAT ALL OR ANY PORTION OF THE SOLID WASTE THAT IS GENERATED WITHIN THE BOUNDARIES OF THE COUNTY OR ANY SERVICE AREA THEREOF AND IS DISPOSED OF IN THE STATE BE DELIVERED TO A RESOURCE RECOVERY FACILITY DESIGNATED BY THE COUNTY BOARD OR A TRANSFER STATION SERVING SUCH A FACILITY. ANY COUNTY DESIGNATION SHALL BE BASED UPON AN APPROVED MASTER PLAN AND SHALL BE SUBMITTED PURSUANT TO SECTION 473.827, SUBDIVISION 1, FOR REVIEW AND APPROVAL OR DISAPPROVAL BY THE METROPOLITAN COUNCIL. IN ESTABLISHING, CONTINUING, AND TERMINATING THE DESIGNATION, THE COUNTY SHALL BE GOVERNED BY ALL STANDARDS, EXEMPTIONS, PROCEDURES, AND OTHER REQUIREMENTS PROVIDED IN SECTION 115A.70, SUBDIVISIONS 2 TO 6) *A qualifying county may be authorized to designate a resource recovery facility under sections 32 to 41.*

Sec. 67. Minnesota Statutes 1983 Supplement, section 473.823, subdivision 6, is amended to read:

Subd. 6. [COUNCIL: CERTIFICATION OF NEED.] No new mixed municipal solid waste disposal facility (SHALL) *or capacity may* be permitted in the metropolitan area without a certificate of need issued by the council indicating the council's determination that the additional disposal capacity planned for the facility is needed in the metropolitan area. The council shall amend its policy plan, adopted pursuant to section 473.149, to include standards and procedures for certifying need. The standards and procedures (SHALL) *must* be based on the council's disposal abatement plan adopted (PURSUANT TO) *under* section 473.149, subdivision 2d, and the abatement master plans of counties adopted (PURSUANT TO) *under* section 473.803, subdivision 1b. The council shall certify need only to the extent that there are no feasible and prudent alternatives to the disposal facility, including waste reduction, source separation and resource recovery which would minimize adverse impact upon natural resources. Alternatives that are speculative or conjectural (SHALL) *are not* (BE DEEMED TO BE) feasible and prudent. Economic considerations alone (SHALL) *do not* justify the certification of need or the rejection of alternatives. In its certification the council (SHALL) *may not* consider alternatives (WHICH) *that* have been eliminated from consideration by the adoption of the inventory pursuant to section 473.149, subdivision 2b, or the selection of sites under section 473.833, subdivision 3.

Sec. 68. Minnesota Statutes 1982, section 473.833, subdivision 4, is amended to read:

Subd. 4. [ACQUISITION AND DISPOSITION.] In order to prevent the development of conflicting land uses at and around future solid waste disposal facility sites, (THE COUNCIL SHALL PROVIDE FOR THE ACQUISITION BY A) *each metropolitan county (OF) shall acquire property and rights in property at and around each solid waste disposal site selected within the county pursuant to subdivision 3. Each site scheduled for development as a facility through the year 1990 (SHALL) must be acquired in fee. Development rights (SHALL) must be acquired for each site scheduled for development as a facility after the year 1990 through the year 2000. Development rights (SHALL) must be acquired in a buffer area surrounding and at least equal to the area of each site scheduled for development as a facility through the year 2000. The owner of any property for which development rights are to be or have been acquired pursuant to this subdivision may elect by written notice at any time up to 90 days following the issuance of a permit by the agency for a facility to have the county acquire fee title to the property. Fee title (SHALL) may not be acquired by counties for buffer areas (ONLY) except at the election of the owner of the fee.*

Sec. 69. [APPROPRIATIONS.]

*Subdivision 1. [AMOUNTS.] The following amounts are appropriated from the general fund to the metropolitan council and agency for the biennium ending June 30, 1985:*

*(1) for solid waste management planning assistance under sections 115A.42 to 115A.46, \$ . . . . . ;*

*(2) for grants for market development under section 44, subdivision 1, clause (3), \$ . . . . . ;*

*(3) for solid waste management technical assistance, and rule activities of the pollution control agency, \$ . . . . .*

*Subd. 2. [REIMBURSEMENT.] Any amount expended by the metropolitan council from the appropriations in subdivision 1 shall be reimbursed to the general fund, and the amount necessary to make the reimbursement is appropriated from the land-fill abatement fund to the commissioner of finance for transfer to the general fund.*

*Subd. 3. [FEE ADMINISTRATION.] \$ . . . . . is appropriated from the general fund to the commissioner of revenue for the purpose of administering section 43. This appropriation shall be reimbursed to the general fund under section 43, subdivision 7. The complement of the department of revenue is increased by . . . . positions.*

*Subd. 4. [RECOMMENDATION BY LCWM.] The legislative commission on waste management shall make recommendations to the standing legislative committees on finance and appropriations regarding appropriations from the landfill abatement and contingency action funds.*

*Subd. 5. [REPORT TO LEGISLATURE.] By November 1, 1986, and each year thereafter, the agency and metropolitan council shall submit to the senate finance committee, the house appropriations committee, and the legislative commission on waste management separate reports detailing the activities for which money from the landfill abatement and contingency action funds has been spent during the previous fiscal year.*

*Subd. 6. [WASTE MANAGEMENT BOARD.] The following amounts are appropriated from the general fund to the waste management board and are available until June 30, 1985:*

*(1) for technical and research assistance programs, \$300,000;*

*(2) for hazardous waste reduction grants, \$300,000;*

*(3) for hazardous waste collection and processing development grants, \$650,000;*

*(4) for administration of the programs provided in sections 8 to 13, \$100,000.*

*The complement of the waste management board is increased by four positions.*

*Subd. 7. [MEEB.] The sum of \$25,000 is appropriated from the general fund to the Minnesota environmental education board for the purpose of section 52, and is available until June 30, 1985.*

#### **Sec. 70. [REPEALER.]**

*Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7, are repealed.*

#### **Sec. 71. [EXEMPTION TO CERTIFICATE OF NEED.]**

*Section 67 does not apply to any expansion of a facility for which the EIS preparation notice has been published by March 15, 1984.*

#### **Sec. 72. [APPLICATION.]**

*This act is effective the day following final enactment, except sections 29, 30, and 43 to 49 are effective January 1, 1985. Sections 58 to 68 are effective in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."*

Further, delete the title and insert:

"A bill for an act relating to solid and hazardous waste management; amending various provisions of the waste management act; prescribing various powers and duties of the waste management board and the pollution control agency relating to hazardous waste management planning and the development of hazardous waste facilities; establishing programs for public education, technical and research assistance to generators, and grants for hazardous waste reduction and processing and collection facilities; requiring requests for proposals for hazardous waste processing and collection facilities; authorizing hazardous waste processing facility loans; prescribing procedures for the designation of solid waste facilities by counties and waste management districts; reducing the number of proposed sites in certain metropolitan counties for mixed municipal solid waste disposal facilities; amending various provisions relating to county and metropolitan solid waste management; appropriating money; amending Minnesota Statutes 1982, sections 115A.03, subdivisions 1 and 28; 115A.06, by adding a subdivision; 115A.08, by adding a subdivision; 115A.09, by adding a subdivision; 115A.11; 115A.18; 115A.24; 115A.241; 115A.46, subdivisions 1 and 2; 115A.70, by adding a subdivision; 116.07, by adding subdivisions; 116J.88, by adding a subdivision; 400.04, subdivision 3, and by adding a subdivision; 400.162; 473.181, subdivision 4; 473.803, subdivisions 2, 3, and by adding a subdivision; 473.811, subdivision 10; 473.833, subdivision 4; Minnesota Statutes 1983 Supplement, sections 115A.08, subdivision 5; 115A.21, subdivision 1, and by adding a subdivision; 115A.22, subdivisions 1 and 4; 115A.241; 115A.25, subdivisions 1, 1a, and 1b; 115A.26; 115A.27, subdivision 2; 115A.28, subdivision 1; 115A.291; 115B.22, subdivision 1; 116J.90, by adding a subdivision; 473.149, subdivisions 2d and 2e; 473.803, subdivisions 1a and 1b; and 473.823, subdivision 6; proposing new law coded in Minnesota Statutes, chapters 115A and 116E; repealing Minnesota Statutes 1982, sections 115A.071; 115A.46, subdivision 3; 115A.70, subdivisions 1, 2, 4, 5, and 6; 473.827; and Minnesota Statutes 1983 Supplement, section 115A.70, subdivisions 3 and 7."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 2016, A bill for an act relating to taxation; repealing the income tax surtax; appropriating money to the budget reserve account; amending Minnesota Statutes 1983 Supplement, section 16A.15, subdivision 6; repealing Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e; and Laws 1983, chapter 342, article 1, section 8.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### “ARTICLE 1

Section 1. Minnesota Statutes 1983 Supplement, section 16A.15, subdivision 6, is amended to read:

Subd. 6. [BUDGET RESERVE ACCOUNT.] The commissioner of finance on July 1, 1983 shall transfer \$250,000,000 to a budget reserve account in the general fund in the state treasury.

*The commissioner of finance on July 1, 1984, shall transfer an additional \$125,000,000 to the budget reserve account in the general fund.*

#### ARTICLE 2

Section 1. [REPEALER.]

*Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2e, and Laws 1983, chapter 342, article 1, section 8, are repealed.*

Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective for taxable years beginning after December 31, 1983.*

#### ARTICLE 3

Section 1. Minnesota Statutes 1982, section 10A.31, subdivision 3a, is amended to read:

Subd. 3a. A minor political party as defined in section 10A.01, subdivision 13 qualifies for inclusion on the income tax form and property tax refund return as provided in subdivision 3, provided that

(1)(a) if a petition is filed, it is filed by June 1 of the taxable year; or

(b) if the party ran a candidate for statewide office, that office must have been the office of governor and lieutenant governor, secretary of state, state auditor, state treasurer, or attorney general; and

(2) the secretary of state certifies to the commissioner of revenue by July 1, 1984, and by July 1 of every odd-numbered year thereafter the parties which qualify as minor political parties under this subdivision.

If a minor party qualifies by filing a petition, the party shall be certified only if the secretary of state determines that the party satisfies the following conditions:

(a) the party meets the requirements of section 10A.01, subdivision 13 and in the last applicable election ran a candidate for the statewide offices listed in clause (1)(b) of this subdivision;

(b) it is a political party, not a principal campaign committee;

(c) it has held a state convention in the last two years, adopted a state constitution, and elected state officers; and

(d) an officer of the party has filed with the secretary of state a certification that the party held a state convention in the last two years, adopted a state constitution, and elected state officers.

Sec. 2. Minnesota Statutes 1982, 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 distribution of those moneys rationally relates to the support for particular parties or for particular candidates within legislative districts, moneys from the party accounts for legislative candidates shall be distributed as follows:

Each candidate for the state senate and state house of representatives whose name is to appear on the ballot in the general election shall receive moneys from his party account set aside for candidates of the state senate or state house of representatives, whichever applies, according to the following formula;

For each county within his district the candidate's share of the dollars allocated in that county to his party account and set aside for that office shall be:

(a) The sum of the votes cast in the last general election in that part of the county in his district for all candidates of his party (i) whose names appeared on the ballot in each voting precinct of the state and (ii) for the state senate and state house of representatives, divided by

(b) The sum of the votes cast in that county in the last general election for all candidates of his party (i) whose names appeared on the ballot in each voting precinct in the state and (ii) for the state senate and state house of representatives, multiplied by

(c) The amount in his party account allocated in that county and set aside for the candidates for the office for which he is a candidate.

The sum of all the county shares calculated in the formula above is the candidate's share of his party account.

In a year in which an election for the state senate occurs, with respect to votes for candidates for the state senate only, "last general election" means the last general election in which an election for the state senate occurred.

For any party under whose name no candidate's name appeared on the ballot in each voting precinct in the state in the last general election, ("LAST GENERAL ELECTION" MEANS THE LAST GENERAL ELECTION IN WHICH THE NAME OF A CANDIDATE OF THAT PARTY APPEARED ON THE BALLOT IN EACH VOTING PRECINCT IN THE STATE) amounts in the party's account shall be allocated based on (a)



*the number of people voting in the last general election in that part of the county in his district, divided by (b) the number of the people voting in that county in the last general election, 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.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 273.1314, subdivision 6, is amended to read:

Subd. 6. [LOCAL CONTRIBUTION.] No area may be designated as an enterprise zone unless the municipality agrees to make a qualifying local contribution in the form of (a) a property tax reduction for employment property as provided by section 273.1313 for any business qualifying for a state tax reduction pursuant to this section, or (b) an equivalent local contribution or investment out of other municipal funds, but excluding any special federal grants or loans. *In concluding the agreement with the municipality the commissioner may require that the local contribution will be made in a specified ratio to the amount of the state credits authorized.* If the local contribution is to be used to fund additional reductions in state taxes, the commissioner and the governing body of the municipality shall enter an agreement for timely payment to the state to reimburse the state for the amount of tax revenue foregone as a result.

Sec. 4. Minnesota Statutes 1983 Supplement, section 273.1314, subdivision 8, is amended to read:

Subd. 8. [FUNDING LIMITATIONS.] The maximum amount of the tax reductions which may be authorized pursuant to designations of enterprise zones under section 273.1312 and this section is limited to (\$32,000,000) *\$35,600,000*. The maximum amount of this total which may be authorized by the commissioner for tax reductions pursuant to subdivision 9 that will reduce tax revenues which otherwise would have been received during fiscal years 1984 and 1985 is limited to (\$8,000,000) *\$9,000,000*. Of the total limitation and the 1984-1985 biennial limitation the commissioner shall allocate to enterprise zones designated under section 273.1312, subdivision 4, paragraph (c), clause (3), an amount equal to (\$10,000,000) *\$16,610,940* and (\$4,000,000) *\$5,000,000* respectively. These funds shall be allocated among such zones on a per capita basis *except that the maximum allocation to any one city is \$6,610,940 and no city's allocation shall exceed \$210 on a per capita basis.* An amount sufficient to fund the state funded property tax credits authorized pursuant to this section is appropriated to the commissioner of revenue. Upon designation of an enterprise zone the commissioner shall certify the total amount available for tax reductions in the zone for its duration. The amount certified shall reduce the amount available for tax reductions in other enterprise zones. If subsequent estimates indicate or actual experience

shows that the approved tax reductions will result in amounts of tax reductions in excess of the amount certified, the commissioner shall implement a plan to reduce the available tax reductions in the zone to an amount within the sum certified. If subsequent estimates indicate or actual experience shows that the approved tax reductions will result in amounts of tax reductions below the amount certified, the difference shall be available for certification in other zones or used in connection with an amended plan of tax reductions for the zone as the commissioner determines appropriate. If the tax reductions authorized result in reduced revenues for a dedicated fund, the commissioner of finance shall transfer equivalent amounts to the dedicated fund from the general fund as necessary.

Sec. 5. Minnesota Statutes 1983 Supplement, section 273.1314, subdivision 15, is amended to read:

Subd. 15. [REPORTING.] The commissioner shall require municipalities receiving enterprise zone designations pursuant to section 273.1312, subdivision 4, to supply information or otherwise report to the state regarding the economic activity which has occurred in the zone following the designation. This information shall include the number of jobs created in the zone, the number of economically disadvantaged individuals hired in the zone, the average wage level of the jobs created, and descriptions of any affirmative action programs undertaken by the municipality in connection with the zone. *The report must include the amount of the municipality's local contribution and number of businesses qualifying for or directly benefiting from the local contribution.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 290.06, subdivision 11, is amended to read:

Subd. 11. [CONTRIBUTIONS TO POLITICAL PARTIES AND CANDIDATES.] A taxpayer may take a credit against the tax due under this chapter of 50 percent of his contributions to candidates for elective state or federal public office and to any political party. The maximum credit for an individual shall not exceed \$50 and, for a married couple filing jointly or filing a combined return, shall not exceed \$100. No credit shall be allowed under this subdivision for a contribution to any candidate, other than a candidate for elective judicial office or federal office, who has not signed an agreement to limit his campaign expenditures as provided in section 10A.32, subdivision 3b. For purposes of this subdivision, a political party means a major political party as defined in section 200.02, subdivision 7, or a minor political party qualifying for inclusion on the income tax or property tax refund form under section 10A.31, subdivision 3a. A major or minor party includes the aggregate of the party organization within each house of the legislature, the state party organization, and the party organization within congressional districts, counties, legislative districts, municipalities, and precincts.

This credit shall be allowed only if the contribution is verified in the manner the commissioner of revenue shall prescribe.

Sec. 7. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 16. [CONSERVATION TILLAGE FARM EQUIPMENT; CREDIT.] (a) A credit is allowed against the tax imposed by this chapter in an amount equal to ten percent of the net cost of conservation tillage planters.*

*(b) The credit for a taxable year may not exceed the liability for tax. "Liability for tax" means the tax imposed under this chapter for the taxable year reduced by the sum of any nonrefundable credits allowed under this chapter. The amount of any unused credit for a taxable year shall be a carryback to each of the preceding three taxable years and a carryover to each of the succeeding five taxable years. The entire amount of the credit shall be carried to the earliest of the taxable years to which it may be carried.*

*(c) For the purposes of sections 290.46 and 290.50, if the claim for refund relates to an overpayment attributable to a 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 credit arises which results in the carryback. With respect to any portion of a credit carryback from a taxable year attributable to a loss carryback from a subsequent taxable year, the period of limitations shall be that period which ends with the expiration of the 15th day of the 46th month, or, in the case of a corporation, the 45th month following the end of the subsequent taxable year. In any case in which a taxpayer is entitled to a refund in a carryback year due to the carryback, interest shall be computed only from the end of the taxable year in which the credit arises. With respect to any portion of a credit carryback from a taxable year attributable to a loss carryback from a subsequent taxable year, interest shall be computed from the end of the subsequent taxable year.*

*(d) For purposes of this subdivision, the following terms have the meanings given:*

*(1) "Conservation tillage planters" means planters or planting attachments designed and configured in a manner to plant row or small grain crops under a no-till, ridge-till, or strip-till method of conservation tillage.*

*(2) "No-till" means a conservation tillage system in which the soil is left undisturbed prior to planting and planting is com-*

pleted in a narrow seedbed approximately one to three inches wide.

(3) "Ridge-till" means a conservation tillage system in which the soil is left undisturbed prior to planting and approximately one-third of the soil surface is tilled at planting with sweeps or row cleaners. Planting is completed on ridges several inches higher than the row middles.

(4) "Strip-till" means a conservation tillage system in which the soil is left undisturbed prior to planting and approximately one-third of the soil surface is tilled at planting using a rototiller, inrow chisel, row cleaner, or other similar conservation tillage equipment.

Sec. 8. [TRANSITION PROVISION; UNITARY NET OPERATING LOSSES.]

(a) If for a taxable year a corporation is subject to the provisions of Minnesota Statutes, section 290.095, subdivision 3, clause (d), the corporation may elect to take a net operating loss carryback pursuant to this section. If the taxpayer elects to be covered by the provisions of this section, the carryback shall be subject to the provisions of Minnesota Statutes, section 290.095, subdivision 3, but excluding clause (d).

(b) If the corporation elects to be covered by this section, all members of the unitary group must file amended returns for the year to which the loss is carried back. The amended returns must reflect the income of the entire unitary business as provided in Minnesota Statutes, section 290.34, subdivision 2. The unitary group of corporations must calculate the sum of the separate tax liabilities prior to the amended returns and the sum of the tax liabilities after the amended returns are filed. (1) If the sum of the separate tax liabilities is more than the sum of the unitary tax liabilities per amended returns, no refund is allowed from the filing of the amended returns. (2) If the sum of the separate tax liabilities is less than the sum of the unitary tax liabilities per amended returns, the difference must be paid with the filing of the amended returns.

(c) After filing the amended returns required by clause (b), the corporation shall be allowed a net operating loss carryback pursuant to section 290.095, subdivision 3. The net operating loss carryback is allowable only to the extent of the tax liability on the amended returns. The time limit on the filing of the amended return allowed under this section shall be the same as the time limit on the filing of the return for the year from which the loss is carried back.

(d) This section is effective for taxable years beginning after June 1981 and is repealed for taxable years beginning after December 31, 1984.

*If the taxpayer elects to be covered by this section, the extension of net operating loss carryovers provided by the last sentence of Minnesota Statutes, section 290.095, subdivision 3, clause (d), does not apply to any year to which a loss is carried back under this section.*

Sec. 9. Minnesota Statutes 1983 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, (INCLUDING HORSES FOR HORSE RACING,) bees, poultry, and fur-bearing animals and wildlife, and all operations incident thereto, including but not limited to the common use of "hedging." *This subdivision does not apply to the breeding, raising, caring for, or training of racing horses.*

(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.] 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 \$30,000 of nonfarm gross income, or nonfarm taxable net income in the case of a corporation, provided however that in any case where nonfarm income exceeds \$30,000, the maximum allowable amount of \$30,000 shall be reduced by an amount equal to the nonfarm income in excess of \$30,000 multiplied by three. 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, 1981, 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, 1981, 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 \$30,000 of nonfarm gross income, or nonfarm taxable net income in the case of a corporation, provided however that in any case where nonfarm income exceeds \$30,000, the maximum allowable amount of \$30,000 shall be reduced by an amount equal to the nonfarm income in excess of \$30,000 multiplied by three.

(d) [SHAREHOLDERS SEPARATE ENTITIES.] For purposes of this subdivision, individual shareholders of an S 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. During this extended period, married individuals who elected to file separate returns or a combined return may change their election and file a joint return.

(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. 10. [CARRYFORWARD OF DEDUCTION.]

*Any remaining balance of the deductions attributable to the breeding, raising, caring for, or training of racing horses from taxable years beginning before January 1, 1984, after any carryback or carryforward deductions allowed under Minnesota Statutes, section 290.09, subdivision 29 in taxable years beginning before January 1, 1984, may be carried forward to taxable years beginning after December 31, 1983, until they have been carried forward five years beginning with the first taxable year after the taxable year in which the deductions occurred. The deductions carried over to taxable years beginning after December 31, 1983, shall be allowed in an amount up to gross income or, in the*

*case of a corporation, taxable net income. The term "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, 1982.*

Sec. 11. Minnesota Statutes 1983 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. *For purposes of the preceding sentence, federal income tax shall include the foreign tax credit allowed under section 33 of the Internal Revenue Code of 1954, as amended through December 31, 1983.*

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 but before January 1, 1983 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. For an amount which remains to be deducted in a taxable year beginning after December 31, 1982, where the federal tax liability for the year in which the payment was made is joint and several under the computation of a joint federal return of husband and wife, the remaining amounts to be deducted shall be claimed by the same spouse and in the same dollar amount as the deduction was claimed in the first taxable year beginning after December 31, 1981.

(3) Those paid in a taxable year beginning after December 31, 1982 shall be claimed in the year in which the payment was made. This amount shall be apportioned between spouses as provided in clause (i) and shall be allocated for exempt income under the provisions of section 290.10, clause (9) or (10) as though the payment was part of the federal tax liability for the year in which the payment was made.

(4) 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 clause shall be increased by the self-employment tax allowed under section 290.10, clause (8). The self-employment tax shall be deducted in the year paid as provided in paragraph (1), (2), or (3). The self-employment tax must be deducted by the person who earned the income. Self-employment tax paid in a taxable year beginning after December 31, 1982 shall be allocated for exempt income as provided in paragraph (3).

(iii) 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.

(iv) 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 subdivision shall be modified for such year.

(v) If the readjustments required in (iii) or (iv) 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.

(vi) Refunds which are not involved with any readjustments under the transition rule shall be included in income under Minnesota Statutes 1982, section 290.01, subdivision 20a, clause (6) if it is from a year beginning before January 1, 1981.

(vii) 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. 12. Minnesota Statutes 1982, section 290.19, subdivision 1a, is amended to read:

Subd. 1a. [DETERMINATION OF SALES MADE WITHIN THIS STATE.] For purposes of this section the following rules shall apply in determining whether or not sales are made within this state.

Sales of tangible personal property are made within this state if the property is (DELIVERED OR SHIPPED TO) *received by a purchaser at a point* within this state, and the taxpayer is taxable in this state, regardless of the f.o.b. point (OR), other conditions of the sale, *or the ultimate destination of the property. When tangible personal property is sold to a purchaser who is licensed by a state or political subdivision to resell the tangible personal property only within the state of ultimate destination and upon which an excise tax is imposed by that state, the sale is made in that state.*

Sales made by or through a corporation which is qualified as a domestic international sales corporation under section 992 of the Internal Revenue Code of 1954, as amended through December 31, 1981, shall not be considered to have been made within this state.

Sec. 13. Minnesota Statutes 1983 Supplement, section 290.21, subdivision 4, 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) *the 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) *the* 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.

The dividend deduction provided in this subdivision does not apply to a dividend from a corporation which, for the taxable year of the corporation in which the distribution is made or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 of the Internal Revenue Code of 1954, as amended through December 31, 1982.

The dividend deduction provided in this subdivision applies to the amount of regulated investment company dividends only to the extent determined under section 854(b) of the Internal Revenue Code of 1954, as amended through December 31, 1982.

(d) 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.

(e) *Dividends received by a corporation from another corporation which is organized under the laws of a foreign country or a political subdivision of a foreign country, if the dividends are paid from income arising from sources without the United States, the commonwealth of Puerto Rico, and the possessions of the United States. The deduction provided by this clause does not apply if the corporate stock with respect to which dividends are paid constitutes the stock in trade of the taxpayer, or would be included in the inventory of the taxpayer, or constitutes property held by the taxpayer primarily for sale to customers in the ordinary course of the taxpayer's trade or business, or if the trade or business of the taxpayer consists principally of the holding of stocks and the collection of the income or gains therefrom. No dividend may be deducted under this clause if it is deducted under clause (a).*

Sec. 14. Minnesota Statutes 1982, section 290.21, is amended by adding a subdivision to read:

*Subd. 8. [FOREIGN SOURCE ROYALTIES.] (a) Rentals, fees, and royalties accrued or received from a foreign corporation for the use of or for the privilege of using outside of the United States patents, copyrights, secret processes and formulas, good will, know-how, trade-marks, trade brands, franchises, and other like property. Rentals, fees, or royalties deducted under this subdivision shall not be included in the taxpayer's apportionment factors under section 290.19, subdivision 1, clause (1)(a) or (2)(a)(1).*

(b) *A corporation is allowed the deduction provided by this subdivision only if during the taxable year it received or accrued at least 80 percent of its gross income from sources as defined in clause (a) and from dividends received from foreign corporations.*

(c) *For purposes of this subdivision, a foreign corporation is (i) a corporation organized under the laws of a foreign country or the political subdivision of a foreign country or (ii) a corporation which for the taxable year derives at least 80 percent of its gross income from sources without the United States, the commonwealth of Puerto Rico, and the possessions of the United States. A foreign corporation does not include a DISC as defined in section 992(a) of the Internal Revenue Code of 1954, as amended through December 31, 1983.*

Sec. 15. Minnesota Statutes 1982, section 462.651, subdivision 1, is amended to read:

Subdivision 1. [GENERAL TAXES.] The governing body of a municipality in which any project of a redevelopment company is located may, (BY ORDINANCE OR RESOLUTION) *after the local approval as provided in subdivision 5*, exempt from all local taxes (SO MUCH) *up to 50 percent* of the value of the property included in that project (AS) *which represents an increase over the assessed valuation of the property, both land and improvements, acquired for the project at the time of its original acquisition for redevelopment purposes.* (SHOULD SUCH A) *If the governing body (GRANT SUCH A TAX) grants an exemption, the project shall, to the extent of the municipal exemption and during the period thereof, be exempt from any and all (STATE,) county (,) and school district ad valorem property taxes. The tax exemption specified herein shall not operate for a period of more than (25) ten years, commencing in each instance from the date on which the benefits of such exemption first become available and effective. (THERE SHALL BE) No exemption may be granted from payment of special assessments or from the payment of inspection, supervision, and auditing fees of the commissioner of energy, planning and development or the authority.*

Sec. 16. Minnesota Statutes 1982, section 462.651, is amended by adding a subdivision to read:

*Subd. 5. [COMMENT BY COUNTY BOARD.] Before approving a tax exemption pursuant to this section, the governing body of the municipality must provide an opportunity to the members of the county board of commissioners of the county in which the project is proposed to be located and the members of the school board of the school district in which the project is proposed to be located to meet with the governing body. The governing body must present to the members of those boards its estimate of the fiscal impact of the proposed property tax exemption. The tax exemption may not be approved by the governing body until the county board of commissioners has presented its written comment on the proposal to the governing body, or 30 days have passed from the date of the transmittal by the governing body to the board of the information on the fiscal impact, whichever occurs first.*

Sec. 17. [REPEALER.]

*Minnesota Statutes 1982, section 462.651, subdivision 2, and Minnesota Statutes 1983 Supplement, section 462.651, subdivision 3 are repealed.*

Sec. 18. [EFFECTIVE DATE; APPROPRIATION.]

*Sections 2 to 5 are effective the day following final enactment. Sections 1, 6, 7, 11, and 12 are effective for taxable years beginning after December 31, 1983, and, as applicable, for property tax refund claims based on rent paid in 1984 and thereafter and*

*property taxes payable in 1985 and thereafter. Sections 9, 10, 13, and 14 are effective for taxable years beginning after December 31, 1984. Sections 15 to 17 are effective for exemptions approved after July 1, 1984.*

#### ARTICLE 4

Section 1. Minnesota Statutes 1982, section 287.05, is amended by adding a subdivision to read:

*Subd. 3. When a mortgage secures a revolving line of credit under which advances, payments, and readvances may be made from time to time, the tax imposed under subdivision 1 shall be paid on the maximum amount of the line of credit which may be secured at any one time, as expressed in the mortgage, regardless of the time or amount of advances, payments, or readvances.*

Sec. 2. Minnesota Statutes 1982, section 287.05, is amended by adding a subdivision to read:

*Subd. 4. No tax under subdivision 1 shall be paid on the indeterminate amount which may be advanced by the mortgagee in protection of the mortgaged premises or the mortgage, including taxes, assessments, charges, claims, fines, impositions, insurance premiums, amounts due upon prior or superior mortgages and other prior or superior liens, encumbrances and interests, and legal expenses and attorneys' fees.*

Sec. 3. Minnesota Statutes 1982, section 287.05, is amended by adding a subdivision to read:

*Subd. 5. When a mortgage secures an indeterminate amount other than those described in subdivision 3 or 4, no tax shall be paid at the time the mortgage is recorded or registered, but the tax must be paid at the time of recording or filing an affidavit stating the amount and time of the actual advance.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 296.14, subdivision 4, is amended to read:

**Subd. 4. [PAYMENT AND TRANSFER OF TAX ON GASOLINE SOLD FOR STORAGE IN ON-FARM BULK STORAGE AND ETHYL ALCOHOL FOR PERSONAL USE.]** Notwithstanding the provisions of this section, the producer of ethyl alcohol which is produced for personal use and not for sale in the usual course of business and a farmer who uses gasoline on which a tax has not been paid shall report and pay the tax on all ethyl alcohol or gasoline delivered into the supply tank of a licensed motor vehicle during the preceding calendar year. The tax shall be reported and paid together with (THE INCOME TAX RETURN OF) *any refund claim filed by the taxpayer under section 296.18. If no refund claim is filed, the tax shall be reported and paid annually by March 15 or more frequently, as the*

*commissioner may prescribe. (THE COMMISSIONER OF REVENUE SHALL TRANSFER THE AMOUNT COLLECTED IN EACH CALENDAR YEAR TO THE HIGHWAY USER TAX DISTRIBUTION FUND BY MARCH 30 OF THE FOLLOWING TAXABLE YEAR.) Any producer, qualifying under this subdivision, shall be exempt from the licensing requirements contained in section 296.01, subdivision 1.*

Sec. 5. Minnesota Statutes 1983 Supplement, section 296.18, subdivision 1, is amended to read:

Subdivision 1. [GASOLINE OR SPECIAL FUEL USED IN OTHER THAN MOTOR VEHICLES.] Any person who shall buy and use gasoline for (ANY) a *qualifying* purpose other than use in motor vehicles, snowmobiles, or motorboats, or special fuel for (ANY) a *qualifying* purpose other than use in licensed motor vehicles, and who shall have paid the Minnesota excise tax directly or indirectly through the amount of the tax being included in the price of the gasoline or special fuel, or otherwise, shall be (ELIGIBLE TO RECEIVE THE CREDIT PROVIDED IN SECTION 290.06, SUBDIVISION 13, IN) *reimbursed and repaid* the amount of the tax paid by him upon filing with the commissioner a signed claim in writing in the form and containing the information the commissioner shall require and accompanied by the original invoice thereof. (THE TAXPAYER CLAIMING THIS CREDIT SHALL INCLUDE WITH HIS INCOME TAX RETURN INFORMATION INCLUDING) *By signing any such claim which is false or fraudulent, the applicant shall be subject to the penalties provided in this section for knowingly making a false claim. The claim shall set forth the total amount of the gasoline so purchased and used by him other than in motor vehicles, or special fuel so purchased and used by him other than in licensed motor vehicles, and shall state when and for what purpose it was used. When a claim contains an error in computation or preparation, the commissioner is authorized to adjust the claim in accordance with the evidence shown on the claim or other information available to him. If the commissioner is satisfied that the claimant is entitled to the payments, he shall approve the claim and transmit it to the commissioner of finance. No repayment shall be made unless the claim and invoice shall be filed with the commissioner within one year from the date of the purchase. The postmark on the envelope in which the claim is mailed shall determine the date of filing. The words "gasoline" or "special fuel" as used in this subdivision do not include aviation gasoline or special fuel for aircraft. Gasoline or special fuel bought and used for a "qualifying purpose" means:*

(1) *Gasoline or special fuel used in carrying on a trade or business, used on a farm situated in Minnesota, and used for a farming purpose. "Farm" and "farming purpose" have the meanings given them in section 6420(c)(2), (3), and (4) of the Internal Revenue Code of 1954, as amended through December 31, 1983.*

(2) *Gasoline or special fuel used for off-highway business use. "Off-highway business use" means any use by a person in that person's trade, business, or activity for the production of income. "Off-highway business use" does not include use as a fuel in a motor vehicle which, at the time of use, is registered or is required to be registered for highway use under the laws of any state or foreign country.*

Sec. 6. Minnesota Statutes 1982, section 296.18, subdivision 3, is amended to read:

Subd. 3. [PENALTIES FOR FILING FALSE CLAIMS.] Every person who shall make any false statement in any claim or invoice filed with the commissioner, or knowingly file with the commissioner any claim or invoice containing any false statement or collect or cause to be paid to him or to any other person a refund without being entitled thereto, when acting pursuant to the provisions of subdivision 1 or 2, clause 3, shall forfeit the full amount of the claim and be guilty of a misdemeanor. Every person who is convicted under the provisions of this subdivision shall be prohibited from filing with the commissioner any claim for refund upon gasoline purchased within six months after such conviction.

Sec. 7. Minnesota Statutes 1982, section 296.18, subdivision 8, is amended to read:

Subd. 8. [APPROPRIATION.] There is hereby appropriated to the persons entitled to such refund under this section, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment. (THERE IS ANNUALLY APPROPRIATED FROM THE HIGHWAY USER TAX DISTRIBUTION FUND TO THE GENERAL FUND THE AMOUNT REQUIRED TO MAKE THE REFUNDS REQUIRED TO BE PAID AS INCOME TAX CREDITS PURSUANT TO SECTIONS 290.06, SUBDIVISION 13 AND 296.18, SUBDIVISION 1.)

Sec. 8. Minnesota Statutes 1982, section 297A.01, is amended by adding a subdivision to read:

Subd. 16. [CAPITAL EQUIPMENT.] *Capital equipment means machinery and equipment and the materials and supplies necessary to construct or install the machinery or equipment. To qualify under this definition the capital equipment must be used by the purchaser or lessee for manufacturing or fabricating tangible personal property to be sold ultimately at retail and must be used for the establishment, physical expansion, or substantial rehabilitation of a new or existing manufacturing or fabricating facility in this state. Purchase or use of machinery or equipment is made for the substantial rehabilitation of an existing facility only if the total sales tax which would be payable at*

*the regular rate on depreciable personal property purchased or used for installation in the facility over a 12-month period including the date of the purchase exceeds \$300,000. Capital equipment does not include (1) repair or replacement parts, or (2) machinery or equipment used to extract, receive, or store raw materials.*

Sec. 9. Minnesota Statutes 1982, section 297A.01, is amended by adding a subdivision to read:

*Subd. 17. [SPECIAL TOOLING.] "Special tooling" means tools, dies, jigs, patterns, gauges, and other special tools which have value and use only for the buyer and for the use for which it is made. An item has use or value only to the buyer if the item is not standard enough to be stocked or ordered from a catalog or other sales literature, but must be produced in accordance with special requirements peculiar to the buyer and not common to someone else whose conditions for possible use of the material are reasonably similar to the buyer's.*

Sec. 10. Minnesota Statutes 1983 Supplement, section 297A.-02, subdivision 2, is amended to read:

Subd. 2. [(FARM) MACHINERY AND EQUIPMENT.] Notwithstanding the provisions of subdivision 1, the rate of the excise tax imposed upon sales of farm machinery (SHALL BE), special tooling, and capital equipment is four percent.

Sec. 11. Minnesota Statutes 1983 Supplement, section 297A.-02, is amended by adding a subdivision to read:

*Subd. 4. [MANUFACTURED HOUSING.] Notwithstanding the provisions of subdivision 1, for sales at retail of manufactured homes used for residential purposes the excise tax is imposed upon 65 percent of the sales price of the home.*

Sec. 12. Minnesota Statutes 1983 Supplement, section 297A.-14, is amended to read:

297A.14 [USING, STORING OR CONSUMING TANGIBLE PERSONAL PROPERTY; ADMISSIONS; UTILITIES.]

For the privilege of using, storing or consuming in Minnesota tangible personal property, tickets or admissions to places of amusement and athletic events, electricity, gas, and local exchange telephone service purchased for use, storage or consumption in this state, (THERE) a use tax is imposed on every person in this state (A USE TAX) at the rate of six percent of the sales price of sales at retail (OF ANY OF THE AFOREMENTIONED ITEMS) unless the tax imposed by section 297A.02 was paid on the sales price. Notwithstanding the provisions of



(THIS PARAGRAPH) *the preceding sentence*, the rate of the use tax imposed upon the sales price of sales of farm machinery (SHALL BE), *special tooling, and capital equipment is four percent.*

A motor vehicle subject to tax under this section shall be taxed at its fair market value at the time of transport into Minnesota if the motor vehicle was acquired more than three months prior to its transport into this state.

Sec. 13. Minnesota Statutes 1982, section 297A.15, is amended by adding a subdivision to read:

*Subd. 5. Notwithstanding the provisions of section 297A.02, subdivision 2, the tax on sales of capital equipment shall be imposed and collected as if the rate under section 297A.02, subdivision 1, applied. Upon application by the purchaser, on forms prescribed by the commissioner, a refund equal to the reduction in the tax due as a result of the application of the rates under section 297A.02, subdivision 2, shall be paid to the purchaser. The application shall include information necessary for the commissioner initially to verify that the purchases qualified as capital equipment under section 297A.02, subdivision 2. No more than two applications for refunds may be filed under this subdivision in a calendar year. Unless otherwise specifically provided by this subdivision, the provisions of section 297A.34 apply to the refunds payable under this subdivision.*

Sec. 14. Minnesota Statutes 1983 Supplement, section 297A.-25, subdivision 1, is amended to read:

Subdivision 1. The following are specifically exempted from the taxes imposed by sections 297A.01 to 297A.44:

(a) The gross receipts from the sale of food products including but not limited to cereal and cereal products, butter, cheese, milk and milk products, oleomargarine, meat and meat products, fish and fish products, eggs and egg products, vegetables and vegetable products, fruit and fruit products, spices and salt, sugar and sugar products, coffee and coffee substitutes, tea, cocoa and cocoa products, 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-half 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 for 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 (i) 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; and (ii) *electricity, not included in clause (h) (i), used in on-farm agricultural production, including electricity for storage of agricultural produce, seed, fertilizer, and other material related to on-farm production of agricultural produce and for maintenance, cleaning, painting, and repair of on-farm production and storage facilities;*

(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. The term "publication" shall not include magazines and periodicals sold over the counter. 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. Sales exempted by this clause include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by

tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities ;

(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. For purposes of this clause, sales by a nonprofit organization shall be deemed to be "isolated or occasional" if they occur at sale events that have a duration of three or fewer consecutive days. The granting of the privilege of admission to places of amusement and the privilege of use of amusement devices by a nonprofit organization at an isolated or occasional event conducted on property owned or leased for a continuous period of more than 30 days by the nonprofit organization are also exempt. The exemption provided for isolated sales of tangible personal property and of the granting of admissions or the privilege of use of amusement devices by nonprofit organizations pursuant to this clause shall be available only if the sum of the days on which the organization and any subsidiary nonprofit organization sponsored by it that does not have a separate sales tax exemption permit conduct sales of tangible personal property, plus the days with respect to which the organization charges for the use of amusement devices or admission to places of amusement, does not exceed eight days in a calendar year. For purposes of this clause, a "nonprofit organization" means any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious, or educational purposes, no part of the net earnings of which inures to the benefit of a private individual ;

(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 tacomite, 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. Sales exempted by this clause include sales pursuant to section 297A-01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities;

(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, *hot water*, 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 Minnesota Statutes 1980, 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, 1982; 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) The gross receipts from the sale of a manufactured home, as defined in section 327.31, subdivision 6, to be used by the purchaser for residential purposes, unless the sale is the first retail sale of the manufactured home in this state.*

Sec. 15. Laws 1979, chapter 189, section 2, is amended to read:

Sec. 2. For the purposes of this act, "residential customer" means a customer classified by the public utility as a residential heating or residential non-heating customer of the public utility within the city of St. Paul and "gross operating revenue" means all sums received by the public utility from the sale of gas, hot water heating or electricity, excluding any amounts received which result from a surcharge on the public utility's rate schedule for the purpose of collecting the franchise fee.

Sec. 16. Minnesota Statutes 1983 Supplement, section 297A.27, subdivision 1, is amended to read:

Subdivision 1. (EXCEPT AS PROVIDED IN SECTION 297A.275.) On or before the 25th day of each month in which taxes imposed by sections 297A.01 to 297A.44 are payable, a return for the preceding reporting period shall be filed with the commissioner in such form as the commissioner may prescribe, verified by a written declaration that it is made under the criminal penalties for wilfully making a false return, and in addition shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid. Any person making sales at retail at two or more places of business may file a consolidated return subject to such regulations as the commissioner may prescribe.

Sec. 17. Minnesota Statutes 1982, section 297B.035, subdivision 3, is amended to read:



Subd. 3. Motor vehicles sold by a new motor vehicle dealer in contravention of section 168.27, subdivision 10, clause (1)(b) shall not be considered to have been acquired or purchased for resale in the ordinary or regular course of business for the purposes of this chapter, and the dealer shall be required to pay the excise tax due on the purchase of those vehicles. *The sale of a new motor vehicle under lease within 120 days of the commencement of the lease is deemed a sale in contravention of section 168.27, subdivision 10, clause (1)(b) unless the lessor holds a valid contract or franchise with the manufacturer or distributor of the vehicle.*

Sec. 18. Minnesota Statutes 1983 Supplement, section 297B.09, is amended to read:

**297B.09 [ALLOCATION OF REVENUE.]**

Subdivision 1. [GENERAL FUND SHARE.] Money collected and received under this chapter must be deposited in the state treasury and credited (AS FOLLOWS:)

((A) ALL OF THE PROCEEDS COLLECTED BEFORE JULY 1, 1985, MUST BE CREDITED TO THE GENERAL FUND.)

((B) THREE-FOURTHS OF THE PROCEEDS COLLECTED AFTER JUNE 30, 1985, AND BEFORE JULY 1, 1987, MUST BE CREDITED TO THE GENERAL FUND.)

((C) ONE-HALF OF THE PROCEEDS COLLECTED AFTER JUNE 30, 1987, AND BEFORE JULY 1, 1989, MUST BE CREDITED TO THE GENERAL FUND.)

((D) ONE-FOURTH OF THE PROCEEDS COLLECTED AFTER JUNE 30, 1989, AND BEFORE JULY 1, 1991, MUST BE CREDITED TO THE GENERAL FUND.)

((E) AFTER JUNE 30, 1991, NONE OF THE PROCEEDS COLLECTED MAY BE CREDITED TO THE GENERAL FUND) *to the general fund. The amounts collected and received shall be credited to the highway user tax distribution fund and the transit assistance fund as provided in subdivision 2, and transferred from the general fund on July 15 and January 15 of each fiscal year. The commissioner of finance must make each transfer based upon the actual receipts of the preceding six calendar months and include the interest earned during that six-month period. The commissioner of finance may establish a quarterly or other schedule providing for more frequent payments to the transit assistance fund if he determines it is necessary or desirable to provide for the cash flow needs of the recipients of moneys from the transit fund.*

Subd. 2. [HIGHWAY USER TAX DISTRIBUTION FUND AND TRANSIT ASSISTANCE FUND SHARE.] The proceeds collected under this chapter (AND NOT CREDITED TO THE GENERAL FUND) must be deposited in the highway user tax distribution fund and the transit assistance fund for apportionment in the following manner:

(a) None of the proceeds collected before July 1, (1985) 1984, may be credited to either fund.

(b) 18.75 percent of the proceeds collected after June 30, (1985) 1984, and before July 1, 1987, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 6.25 percent of the proceeds must be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(c) 37.5 percent of the proceeds collected after June 30, 1987, and before July 1, 1989, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 12.5 percent of the proceeds must be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(d) 56.25 percent of the proceeds collected after June 30, 1989, and before July 1, 1991, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 18.75 percent of the proceeds must be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

(e) 75 percent of the proceeds collected after June 30, 1991, must be credited to the highway user tax distribution fund for apportionment in the same manner and for the same purposes as other money in that fund. The remaining 25 percent of the proceeds must be credited to the transit assistance fund account to be appropriated to the commissioner of transportation for transit assistance within the state.

Sec. 19. [507.325] [MORTGAGE SECURING REVOLVING LINE OF CREDIT; NOTICE.]

*A mortgage securing a revolving line of credit under which advances, payments, and readvances may be made from time to time, and which states the maximum amount of the line of credit which may be secured at any one time, is effective as notice to parties from the time the mortgage is recorded as to all advances*

*and readvances secured thereby, regardless of the time or amount of advances, payments, or readvances and whether or not the advances or readvances are obligatory.*

**Sec. 20. [508.555] [MORTGAGE SECURING REVOLVING LINE OF CREDIT; NOTICE.]**

*A mortgage securing a revolving line of credit under which advances, payments, and readvances may be made from time to time, and which states the maximum amount of the line of credit which may be secured at any one time, is effective as notice to parties from the time the mortgage is filed and registered as to all advances and readvances secured thereby, regardless of the time or amount of advances, payments, or readvances and whether or not the advances or readvances are obligatory.*

**Sec. 21. [REPEALER.]**

*(a) Minnesota Statutes 1983 Supplement, section 297A.275, is repealed.*

*(b) Minnesota Statutes 1983 Supplement, section 290.06, subdivision 13, is repealed.*

**Sec. 22. [EFFECTIVE DATE; APPROPRIATION.]**

*Sections 4 to 7, and 21, paragraph (b), are effective for taxable years beginning after December 31, 1984. Sections 8 to 15 and 17 are effective for sales made after June 30, 1984. Sections 16, 18, and 21, paragraph (a), are effective the day following final enactment.*

**ARTICLE 5**

**Section 1. Minnesota Statutes 1983 Supplement, section 124.2137, 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 (29) 33 percent of the tax levy imposed on up to 320 acres of land including the buildings and structures thereon but excluding the homestead dwelling and surrounding one acre of land. 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 (13) 15 percent of the tax levy imposed 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 ten percent of the tax levy imposed on the property. The tax on the first 320 acres of agricultural land classified pursuant to section 273.13, subdivi-

sion 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 equal to (13) 15 percent of the tax imposed 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 ten percent of the tax levy imposed on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a certification to the county auditor for corrections. The amount of the reduction provided under this subdivision which any taxpayer can receive on all qualifying property which he owns shall not exceed (\$2,000) \$4,000 in the case of agricultural property and shall not exceed \$100 in the case of seasonal residential recreational property. In the case of property owned by more than one person, the maximum amount of the reduction shall apply to the total of all the owners. For purposes of computing the credit pursuant to this subdivision, the "tax levy" shall be the tax levy reduced by the credits provided by sections 273.115, 273.116, 273.123, 273.42, subdivision 2, and 473H.10.

Sec. 2. Minnesota Statutes 1983 Supplement, section 273.11, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Except as provided in subdivisions 6, (7,) 8, and 9 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 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 1982, section 273.123, is amended by adding a subdivision to read:

*Subd. 2a. [APPLICATION REQUIREMENTS.] A request for property tax relief shall be considered by the executive council only if the following requirements are met by the local unit of government submitting the request:*

*(1) a completed disaster survey shall be included with the request; and*

*(2) the average dollar amount of damage for the homes which are damaged and located within the geographic boundaries of the applicant shall be \$5,000 or more; and*

*(3) either (a) at least 25 homes located within the geographic boundaries of the applicant must have been damaged or destroyed; or (b) the total dollar amount of damage to all of the damaged homes located within the geographic boundaries of the applicant shall be equal to at least one percent of the total market value of all homestead property located within the geographic boundaries of the applicant.*

Sec. 4. Minnesota Statutes 1982, section 273.123, is amended by adding a subdivision to read:

*Subd. 7. [LOCAL OPTION.] The owner of homestead property not qualifying for an adjustment in valuation pursuant to subdivisions 1 to 5 may receive a reduction in the amount of taxes payable for the year in which the destruction occurs on the homestead portion if:*

*(a) 50 percent or more of the homestead dwelling, as established by the county assessor, is unintentionally or accidentally destroyed and the homestead is uninhabitable, and*

*(b) the owner of the property makes written application to the county assessor as soon as practical after the damage has occurred, and*

(c) the owner of the property makes written application to the county board, upon completion of the restoration of the destroyed structure.

The county board may grant a reduction in the amount of property tax which the owner must pay on the qualifying home in the year of destruction. Any reduction in the amount of tax payable which is authorized by county board action shall be calculated based upon the number of months that the home is uninhabitable. The amount of net tax due from the taxpayer shall be multiplied by a fraction, the numerator of which is the number of months the dwelling was occupied by that taxpayer and the denominator is 12. For purposes of this subdivision, if a structure is occupied for a fraction of a month, it is considered a month. "Net tax" is defined as the amount of tax after the subtraction of all of the state paid property tax credits. If application is made following payment of all property taxes due for the year of destruction, the amount of the reduction granted by the county board shall be refunded to the taxpayer by the county treasurer as soon as practical.

Any reductions or refunds approved by the county board shall not be subject to approval by the commissioner of revenue.

The county board may levy in the following year the amount of tax dollars lost to the county government as a result of the reductions granted pursuant to this subdivision. Any amount levied for this purpose shall be exempt from the levy limit provisions of sections 275.50 to 275.56.

Sec. 5. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 6, is amended to read:

Subd. 6. [CLASS 3B.] Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead shall constitute class 3b and shall be valued and assessed as follows: the first \$60,000 of market value shall be valued and assessed at 14 percent; the remaining market value shall be valued and assessed at 19 percent. The maximum amount of the market value of the homestead bracket subject to the 14 percent rate shall be adjusted by the commissioner of revenue as provided in section 273.1311. The property tax to be paid on class 3b property as otherwise determined by law less any reduction received pursuant to sections 124.2137, 273.123, 273.135, and 473H.10 shall be reduced by 54 percent of the tax; provided that the amount of the reduction shall not exceed \$650. Noncontiguous land shall constitute class 3b only if the homestead is classified as class 3b or class 3c provided that an owner whose homestead is classified as class 3c shall meet the income requirements under section 273.111, subdivision 6 and the detached land is located in the same township or city or not farther than two townships or cities or combination thereof from the homestead. The first \$12,000 market value of each tract of real estate which is rural in

character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law. *Homestead credit shall not be granted on that agricultural property receiving the state school agricultural credit when the homestead is classified as class 3c property.*

Agricultural land as used herein, and in section 124.2137, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

The assessor shall determine and list separately on his records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

Sec. 6. Minnesota Statutes 1982, section 273.13, subdivision 9, is amended to read:

Subd. 9. [CLASS 4A, 4B, 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 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.

(3) Commercial and industrial property, except as provided in this subdivision, shall constitute class 4c and shall be valued and assessed at 34 percent of the first (\$50,000) \$100,000 of market value and 43 percent 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 34 percent assessment, and in the case of other commercial or industrial property owned by one person or entity, only one parcel in each county shall qualify for the 34 percent assessment.

(4) Employment property defined in section 273.1313, during the period provided in section 273.1313, 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, except that for employment property located in an enterprise

zone designated pursuant to section 273.1312, subdivision 4, paragraph (c), clause (3), the first \$50,000 of market value shall be valued and assessed at 31.5 percent and the remainder shall be assessed and valued at 38.5 percent, unless the governing body of the city designated as an enterprise zone determines that a specific parcel shall be assessed pursuant to the first clause of this sentence. The governing body may provide for assessment under the first clause of the preceding sentence only for property which is located in an area which has been designated by the governing body for the receipt of tax reductions authorized by section 273.1314, subdivision 9, paragraph (a).

Sec. 7. Minnesota Statutes 1982, section 273.13, subdivision 19, is amended to read:

Subd. 19. [CLASS 3D, 3DD.] Residential real estate containing four or more units, other than seasonal residential, recreational and homesteads shall be classified as class 3d property and shall have a taxable value equal to (36 PERCENT OF MARKET VALUE FOR TAXES LEVIED IN 1981 AND) 34 percent of market value (FOR TAXES LEVIED IN 1982 AND THEREAFTER). Residential real estate containing three or less units, other than seasonal residential, recreational and homesteads, shall be classified as class 3dd property and shall have a taxable value equal to 28 percent of market value.

Residential real estate as used in this subdivision means real property used or held for use by the owner thereof, or by his tenants or lessees as a residence for rental periods of 30 days or more, but shall not include homesteads, or real estate devoted to temporary or seasonal residential occupancy for recreational purposes. Where a portion of a parcel of property qualified for class 3d or 3dd and a portion does not qualify for class 3d or 3dd the valuation shall be apportioned according to the respective uses.

Residential real estate containing less than (THREE) *four* units when entitled to homestead classification for one or more units shall be classed as 3b, 3c or 3cc according to the provisions of subdivisions 6 and 7. *A single rented or leased dwelling unit located within or attached to a private garage or similar structure owned by the owner of a homestead and located on the premises of that homestead must be classified as 3b, 3c, or 3cc as part of the owner's homestead according to the provisions of subdivisions 6 and 7. If more than one dwelling unit is attached to the structure, the units must be assessed as class 3d or 3dd property.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 21, is amended to read:

Subd. 21. [LIMITATION ON HOMESTEAD CLASSIFICATION.] If the assessor has classified property as both home-



stead and nonhomestead, only the (VALUES) value attributable to the portion of the property (CLASSIFIED AS 3B, 3C, OR 3CC SHALL BE ENTITLED TO HOMESTEAD TREATMENT) which is used by the owner for purposes of a homestead shall be classified 3b, 3c, or 3cc, whichever is applicable, except as provided in subdivision 19 for buildings containing fewer than four residential units and for a single rented or leased dwelling unit located within or attached to a private garage or similar structure owned by the owner of a homestead and located on the premises of that homestead. The homestead classification ratios contained in subdivisions 6 and 7 shall only be applied against that portion of the property which is homestead and is classified 3b, 3c, or 3cc, whichever is applicable.

*If the assessor has classified property as both homestead and nonhomestead, the homestead credit provided under subdivisions 6 and 7 and the reductions in tax provided under sections 273.135 and 273.1391, shall apply to the value of both the homestead and the nonhomestead portions of the property.*

(EXCEPT FOR BUILDINGS CONTAINING FEWER THAN THREE UNITS CLASSIFIED PURSUANT TO SECTION 273.13, SUBDIVISION 19, IF THE PORTION OF A BUILDING USED AS THE OWNER'S HOMESTEAD IS SEPARATE FROM OTHER DWELLING UNITS IN THE BUILDING, ONLY THE OWNER'S RESIDENCE PLUS THE LAND ATTRIBUTABLE TO THE RESIDENCE IS TO RECEIVE EITHER THE 3B, 3C, OR 3CC CLASSIFICATION.)

Sec. 9. Minnesota Statutes 1983 Supplement, section 477A.013, subdivision 1, is amended to read:

Subdivision 1. [TOWNS.] In each calendar year, each town which (HAS AN AVERAGE EQUALIZED MILL RATE) levied a tax payable in the previous year of at least (TWO MILLS) one mill shall receive a distribution equal to 50 percent of the amount received in 1983 pursuant to Minnesota Statutes 1982, sections 273.138, 273.139, and 477A.011 to 477A.03.

Sec. 10. Minnesota Statutes 1982, section 477A.13, is amended to read:

#### 477A.13 [TIME OF PAYMENT, DEDUCTIONS.]

Payments to the counties shall be made from the general fund during the month of July of the year next following certification. There shall be deducted from amounts paid any amounts paid to a county or township during the preceding year pursuant to sections (84A.51,) 89.036, 97.49, subdivision 3, and 272.68, subdivision 3 with respect to the lands certified pursuant to section 477A.12.

*Payments under section 477A.12 must also be reduced by the following percentages of the amounts paid during the preceding year under section 84A.51:*

- (1) for the payment made July 15, 1984, 75 percent;*
- (2) for the payment made July 15, 1985, 50 percent;*
- (3) for the payment made July 15, 1986, 25 percent; and*
- (4) for the payment made thereafter, 0 percent.*

#### Sec. 11. [HOMESTEAD CREDIT ADJUSTMENTS.]

*The commissioner of revenue shall by May 1, 1984, advise each county auditor to recompute the homestead credit to be applied against each parcel of property assessed by the county as both homestead and nonhomestead property. The homestead credit shall be applied against the entire parcel. The county auditor shall file an abatement with the county board listing each affected parcel and the additional homestead credit. The county board shall approve the abatement in the same manner as provided in section 375.192 and forward it to the commissioner. For purposes of this section, "homestead credit" means reductions paid pursuant to sections 273.13, subdivision 14a, 273.135 and 273.1391.*

*The county treasurer shall issue corrected property tax statements showing the corrected taxes. The additional homestead credit shall be a reduction against the second half taxes unless the county treasurer issues the corrected statements on or before May 11, 1984.*

*By July 1, 1984, each county auditor shall notify the commissioner in writing about the procedures used in the county to handle this process.*

#### Sec. 12. [STATEMENT OF PURPOSE.]

*The legislature finds that the method of valuing farm property on the basis of sales of comparable properties overstates the value of farm property. Further, the legislature finds that methods of determining the production value of farm property are not suitable as a basis for directly determining the value of individual parcels of farm property. Therefore, the legislature determines that market value should continue to be used as the basis for taxation but that that market value should be adjusted to reflect the production value of farm property.*

#### Sec. 13. [DETERMINATION OF RATIO.]

*The commissioner of revenue shall consider alternative methods of determining the production value of farm property and shall make a recommendation to the legislature by January 15, 1985, as to the percentage of market value to be used in determining the production value to be used for the 1985 assessment, taxes payable in 1986.*

#### Sec. 14. [GUIDELINES TO COUNTY ASSESSORS.]

*The department of revenue is directed by the legislature to prepare and issue guidelines to all county assessors by October 1984, on the following two topics:*

*(a) the proper assessment methods which should be used when valuing land which is irrigated or capable of being irrigated, and*

*(b) the proper method for adjusting sales price for financing terms and other conditions of a sale in determining true market value.*

*The guidelines are not rules subject to the administrative procedure act of chapter 14.*

#### Sec. 15. [LOCAL GOVERNMENT AIDS ADJUSTMENT.]

*Subdivision 1. [ELIGIBLE AMOUNT.] For any city (a) which incorporated in 1974 or thereafter, and (b) whose current population as determined for the calendar year 1979 local government aids distribution exceeded its 1970 census population by a factor of two or more, the commissioner of revenue shall determine the additional amount that the city would have received in the 1979 aid distribution had the full amount of its then current population been used in the formula calculation for that year. This amount shall be increased by 30 percent, and and by a percentage equal to its percentage increase in population from 1979 to 1983.*

*Subd. 2. [ADJUSTMENTS.] For every qualifying city, the amount determined pursuant to subdivision 1 shall be permanently added to its adjusted local revenue base pursuant to Minnesota Statutes, section 477A.011, subdivision 7a, and its maximum aid pursuant to Minnesota Statutes, section 477A.011, subdivision 10, for aids payable in 1984. 1984 aid distributions for all affected cities shall be based upon formula factors as amended by this section.*

*This amount shall also be a permanent adjustment to each city's adjusted levy limit base for taxes payable in 1984, pursuant to Minnesota Statutes, section 275.51, subdivision 3h.*

**Sec. 16. [REPEALER.]**

*Minnesota Statutes 1983 Supplement, section 273.11, subdivision 7, is repealed.*

**Sec. 17. [EFFECTIVE DATE.]**

*The increase in the agricultural aid maximum to \$4,000 in section 1 is effective for the 1983 assessment and thereafter, taxes payable 1984 and thereafter. The agricultural aid percentage increases in section 1 and sections 2 to 8 and 16 are effective for the 1984 assessment and thereafter, taxes payable in 1985 and thereafter. Section 9 is effective for local government aid distributions in 1985 and thereafter. Sections 10 to 14 are effective the day after final enactment. Section 15 is effective for local government aid distributions in 1984 and thereafter.*

**ARTICLE 6**

Section 1. Minnesota Statutes 1983 Supplement, section 290A.03, subdivision 8, is amended to read:

Subd. 8. [CLAIMANT.] (a) "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.

(b) 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.

(c) "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.

(d) Notwithstanding paragraph (c), if the claimant was a resident of the nursing home, intermediate care facility or long term residential facility for only a portion of the calendar year covered by the claim, the claimant may compute rent constituting property taxes by disregarding the rent constituting property taxes from the nursing home, intermediate care facility, or long term residential facility and use only that amount of rent constituting property taxes or property taxes payable relating to that portion of the year when the claimant was not in the facility. The claimant's household income is his income for the entire calendar year covered by the claim.

(e) In the case of a claim for rent constituting property taxes of a part year Minnesota 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 Minnesota 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.

(f) (EXCEPT AS PROVIDED IN SECTION 290A.05.) If a homestead is occupied by two or more renters (OR JOINT TENANTS OR TENANTS IN COMMON), who are not husband and wife, the rent (OR PROPERTY TAXES) 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. Minnesota Statutes 1983 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 124.2137, 273.115, 273.116, 273.135, 273.139, 273.1391, 273.42, subdivision 2, and any other state paid property tax credits in any calendar year. In the case of a claimant who makes ground lease payments, "property taxes payable" includes the amount of the payments directly attributable to the property taxes assessed against the parcel on which the house is located.

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 manufactured homes as defined in section 168.011, subdivision 8, "property taxes payable" shall also include the amount of the gross rent paid in the preceding year for the site on which the homestead is located, which is attributable to the net tax paid on the site. The amount attributable to property taxes shall be determined by multiplying the net tax on the parcel by a fraction, the numerator of which is the gross rent paid for the calendar year for the site and the denominator of which is the gross rent paid for the calendar year for the parcel. *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 October 1 of the year in which the "property taxes payable" were payable and that the assessor has approved the application.

Sec. 3. Minnesota Statutes 1983 Supplement, section 290A.-04, subdivision 2e, is amended to read:

Subd. 2e. If the net property taxes payable on a homestead increase more than 20 percent over the net property taxes payable in the previous year on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to (50) 100 percent of the amount by which the increase exceeds 20 percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. (THE REFUND SHALL NOT EXCEED \$200. THE MAXIMUM REFUND SHALL BE REDUCED BY \$20 FOR EACH \$1,000 OF THE CLAIMANT'S HOUSEHOLD INCOME IN EXCESS OF \$30,000. NO REFUND SHALL BE ALLOWED IF THE CLAIMANT'S HOUSEHOLD INCOME EXCEEDS \$40,000.) *The maximum refund shall be an unlimited dollar amount, provided, however, that it shall be reduced by one-tenth for each \$1,000 of claimant's household income in excess of \$40,000.*

*No refund pursuant to this subdivision shall be allowed if the claimant's household income exceeds \$50,000.*

For purposes of this subdivision, "net property taxes payable" means property taxes payable after reductions made pursuant to sections 124.2137; 273.13, subdivisions 6, 7, and 14a; 273.115, subdivision 1; 273.116, subdivision 1; 273.135; 273.1391; and 273.42, subdivision 2, and any other state paid property tax credits and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b.

In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.

(ON OR BEFORE DECEMBER 1, 1983, THE COMMISSIONER SHALL ESTIMATE THE COST OF MAKING THE PAYMENTS PROVIDED BY THIS SECTION. NOTWITHSTANDING THE OPEN APPROPRIATION PROVISION OF SECTION 290A.23, IF THE ESTIMATED TOTAL REFUND CLAIMS EXCEED \$11,000,000, THE COMMISSIONER SHALL ADJUST ACCORDINGLY THE PERCENTAGE INCREASE IN NET PROPERTY TAXES PAYABLE OVER THE PREVIOUS YEAR WHICH IS REQUIRED TO QUALIFY FOR THE CREDIT PROVIDED IN THIS SUBDIVISION.)

This subdivision is repealed effective for property taxes levied in 1984, payable in 1985.

Sec. 4. Minnesota Statutes 1982, section 290A.04, is amended by adding a subdivision to read:

*Subd. 2g. If the net property taxes payable on a homestead increase more than 15 percent over the net property taxes payable in the previous year on the same property, a claimant who is a homeowner shall be allowed an additional refund equal to 50 percent of the amount by which the increase exceeds 15 percent. This subdivision shall not apply to any increase in the net property taxes payable attributable to improvements made to the homestead. The refund shall not exceed \$400. The maximum refund shall be reduced by \$40 for each \$1,000 of the claimant's household income in excess of \$40,000. No refund shall be allowed if the claimant's household income exceeds \$50,000.*

For purposes of this subdivision, "net property taxes payable" means property taxes payable after reductions made pursuant to sections 124.2137; 273.13, subdivisions 6, 7, and 14a; 273.115, subdivision 1; 273.116, subdivision 1; 273.135; 273.1391; and 273.42, subdivision 2, and any other state paid property tax

*credits and after the deduction of tax refund amounts for which the claimant qualifies pursuant to subdivisions 2, 2a and 2b.*

*In addition to the other proofs required by this chapter, each claimant under this subdivision shall file with the property tax refund return a copy of the property tax statement for taxes payable in the preceding year or other documents required by the commissioner.*

*This subdivision is repealed effective for property taxes levied in 1985, payable in 1986.*

**Sec. 5. Minnesota Statutes 1983 Supplement, section 290A.05, is amended to read:**

**290A.05 [COMBINED HOUSEHOLD INCOME (; RENTERS AND LESSEES).]**

If a person occupies a homestead with another person or persons not related to the person as husband and wife, excluding dependents, (JOINT TENANTS OR TENANTS IN COMMON WHO ARE ALSO CLAIMANTS,) roomers or boarders on contract, and has property tax payable with respect to the homestead, the household income of the claimant or claimants for the purpose of computing the refund allowed by section 290A.04 shall include the total income received by the other persons residing in the homestead. If a person occupies a homestead with another person or persons not related as husband and wife or as dependents, (AND WHO ARE RESIDING AT THE HOMESTEAD UNDER RENTAL OR LEASE AGREEMENT,) the property tax payable or rent constituting property tax shall be reduced as follows.

*If the other person or persons are residing at the homestead under rental or lease agreement, the amount of property tax payable or rent constituting property tax shall be that portion not covered by the rental agreement.*

**Sec. 6. [COMPUTATION; REFUNDS.]**

*The county auditor shall recompute the property tax for taxes payable in 1984 for all property subject to the \$4,000 maximum agricultural aid credit as provided in article 5, section 1 and shall mail amended statements to the affected taxpayers by May 11, 1984. The statements shall contain the information required in Minnesota Statutes, section 276.04, except that a notice must be enclosed stating that the statement is amended pursuant to this section. The auditor shall recertify the agricultural aid amounts to the commissioner of revenue by the time and in the form determined by the commissioner. The commissioner of revenue shall review the recertifications to determine their ac-*



*curacy. He may make changes in the recertification he deems necessary or return a certification to the county auditor for corrections.*

*If property taxes payable in 1984 have been paid in full without the adjustments required by this section, the taxpayer shall receive a refund equal to the difference between the taxes paid and the tax as recomputed. The county auditor shall determine the amount of the refund and mail it to the taxpayer as soon as practical.*

*If property taxes payable in 1984 have been partially paid without the adjustments required by this section, the auditor shall reduce the remaining taxes due by the amount of the tax reduction required by this section, and refund any excess. He shall notify the affected taxpayer of the corrected tax. In lieu of the reduction, a taxpayer may elect to receive a refund, and upon application of the taxpayer, the auditor shall refund the amount of the reduction attributable to the partial tax payment.*

*Refunds paid under this section do not include interest.*

*If the county auditor has settled and distributed funds under Minnesota Statutes, section 276.10 with respect to any amounts which have been refunded to taxpayers under this section, the amounts of those refunds must be deducted from the next settlement and distribution. The county auditor shall notify the appropriate school districts of the amount to be deducted.*

#### Sec. 7. [PAYMENT; PENALTIES.]

*Section 6 does not excuse timely payment of taxes as required in Minnesota Statutes, section 279.01. Penalties shall accrue as provided in Minnesota Statutes, section 279.01 only on the amount of the taxes as recomputed under section 6.*

#### Sec. 8. [PROPERTY TAX REFUNDS.]

*For purposes of Minnesota Statutes, section 290A.03, subdivision 13, "property taxes payable" means property taxes as recomputed under section 6. Taxpayers who filed property tax refund returns utilizing the payable 1984 property taxes before the recomputation must file an amended return and attach an amended property tax statement to the amended return.*

#### Sec. 9. [APPROPRIATION.]

*There is appropriated from the general fund to the commissioner of education the amount necessary to pay school districts the amount by which the property taxes payable in 1984 as recertified under section 6 are reduced. Payment must be made as provided in Minnesota Statutes, section 124.195.*

**Sec. 10. [EFFECTIVE DATE.]**

*Sections 1, 2, and 5 are effective for claims based on property taxes payable in 1985 and thereafter. Sections 3 and 6 to 9 are effective the day after final enactment. Section 4 is effective for claims based on property taxes levied in 1984 payable in 1985.*

**ARTICLE 7****Section 1. [RAMSEY-WASHINGTON METRO WATERSHED DISTRICT; WATER MAINTENANCE AND REPAIR FUND; CREATION OF FUNDS; TAX LEVY.]**

*The Ramsey-Washington metro watershed district may, in addition to its other powers, establish a water maintenance and repair fund which shall be kept distinct from all other funds of the district. The fund shall be maintained by an annual ad valorem tax levy on each dollar of assessed valuation of all taxable property within the Ramsey-Washington metro watershed district sufficient to raise not more than \$30,000 in 1985, and in subsequent years not more than \$15,000. The board of managers of the district shall adopt each year, by resolution, the amount to be raised by mill levy for the fund for the ensuing year, which shall be levied, collected, and distributed to the district in accordance with Minnesota Statutes, section 112.611, in addition to any other money levied, collected, and distributed to the district.*

**Sec. 2. [PURPOSE OF FUND.]**

*The water maintenance and repair fund may be used for any maintenance, repair, restoration, upkeep, and rehabilitation of any public ditch, drain, dams, sewer, river, stream, watercourse, and waterbody, natural or artificial, lying wholly or partly within the district. Works performed in accordance with the purposes of sections 1 to 3 may include, but are not limited to, stream and watercourse clean up and maintenance and stream and watercourse bank and bed repair and stabilization.*

**Sec. 3. [WORKS; MUNICIPALITIES.]**

*Any works to be undertaken and paid for from the water maintenance and repair fund shall be ordered by the board of managers of the district. Before the commencement of any works ordered, any affected municipality shall be notified in writing by the district about the proposed works and estimated costs. Within 30 days following receipt of the written notice, any affected municipality may notify the district in writing that it will perform the works ordered by the district. If the municipality undertakes the works, it shall be paid as previously prescribed by the district from the water maintenance and repair fund. If any affected municipality fails to perform any works ordered*

by the board of managers, the district may have the works performed in any other manner authorized by law.

Sec. 4. [CROFT HISTORICAL PARK TAX.]

The Croft Historical Park Board, hereafter referred to in sections 4 and 5 as the "board," is created. The Croft Historical Park District, hereafter referred to in sections 4 and 5 as the "district", consists of the cities of Crosby, Cuyuna, Deerwood, Ironton, Riverton, and Trommald and the towns of Deerwood, Irondale, Rabbit Lake and Wolford. All of the cities and towns are located in Crow Wing county. The board shall consist of three members who are residents of the district, each of whom shall be elected at large in the district. The county board shall make arrangements for the holding of a special election within the district. For the initial election, the terms of the board members shall be as follows: one two year term, one three year term and one four year term. Thereafter, each board member shall be elected for a four year term.

If approved by referendum as provided in section 5, the board may levy a tax not to exceed 1.0 mills on the taxable value of all real and personal property located within the district. The amount of tax levied is in addition to all other taxes on the property and must be disregarded in the calculation of all other mill rate or per capita levy limitations imposed by law or charter upon the cities or towns located within the district. The tax shall be collected by the Crow Wing county treasurer and paid directly to the board. The proceeds of the tax levy shall be used by the board in conjunction with money received from the Iron Range Resources and Rehabilitation Board for operation of the Croft Historical Park.

Sec. 5. [REFERENDUM.]

The board shall make special arrangements with the Crow Wing county auditor for a referendum. The board shall submit the proposed levy to the eligible voters in the district at a general or special election. The date of the referendum shall be determined by the board. The question submitted shall read substantially as follows:

"Shall the Croft Historical Park Board be allowed to impose an annual levy of up to one mill upon all taxable property located within the boundaries of the district?"

Yes .....

No ....."

If a majority of those voting on the question approve the proposed levy, the board shall be permitted to certify a levy to

*the Crow Wing county auditor as soon as practical following the referendum and in each subsequent year thereafter.*

**Sec. 6. [CLOQUET; PUBLIC TRANSPORTATION.]**

*Upon conditions mutually agreed, the city of Cloquet may contract with a privately owned public transportation system to provide transportation services to the people of the city. The city may disburse money to discharge the terms of the contract. The city may annually levy a property tax not to exceed one mill for the purpose of discharging the contract obligations. The amount of tax levied is in addition to all others permitted by law and must be disregarded in the calculation of statutory or other limitations on property tax levies.*

**Sec. 7. [ST. LOUIS COUNTY LAND CONVEYANCE.]**

*The state of Minnesota shall convey to Laila A. Furchner, Box 161, Makinen, Minnesota 55763, land in St. Louis County which forfeited for unpaid property taxes on February 4, 1980, and which is identified by parcel code number 676-10-2220 and legal description SE 1/4 or NW 1/4, Section 12, Township 56, Range 16, (Government Lot 3). The attorney general shall prepare an appropriate instrument of conveyance. The price for the land shall be the same as that provided for a redemption under Minnesota Statutes, section 281.02.*

**Sec. 8. [EFFECTIVE DATE.]**

*Sections 1 to 3 are effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the board of managers of the Ramsey-Washington metro watershed district. Sections 4 and 5 are effective May 1, 1984.*

*Section 6 is effective upon the day after the filing of its approval by the governing body of the city of Cloquet in accordance with Minnesota Statutes, section 645.021, subdivision 3.*

**ARTICLE 8**

**Section 1.** Minnesota Statutes 1982, section 124.2131, subdivision 1, is amended to read:

**Subdivision 1. [ADJUSTED ASSESSED VALUE.] (a) [COMPUTATION.]** The equalization aid review committee, consisting of the commissioner of education, the commissioner of administration, the commissioner of agriculture, and the commissioner of revenue, is hereby continued and permanently established. The duty of this committee shall be to review the assessed valuation of the districts of the state. (WHEN SUCH REVIEWS DISCLOSE REASONABLE EVIDENCE THAT THE ASSESSED VALUATION OF ANY DISTRICT FUR-

NISHED BY ANY COUNTY AUDITOR IS NOT BASED UPON THE MARKET VALUE OF TAXABLE PROPERTY IN SUCH DISTRICT, THEN SAID COMMITTEE SHALL CALL UPON THE DEPARTMENT OF REVENUE TO ASCERTAIN THE MARKET VALUE OF SUCH PROPERTY, AND ADJUST SUCH VALUES AS REQUIRED BY LAW TO DETERMINE THE ADJUSTED ASSESSED VALUATION) *The department of revenue shall annually conduct an assessment/sales ratio study of the taxable property in each school district in accordance with the procedures referenced in paragraphs (b) and (c). Based upon the results of this assessment/sales ratio study, the department of revenue shall determine an aggregate equalized assessed value for the various strata of taxable property in each school district, which value shall be designated as the adjusted assessed value. The department of revenue shall take such steps as are necessary in the performance of that duty and may incur such expense as is necessary therefor. The commissioner of revenue is authorized to reimburse any county or governmental official for services performed at his request in ascertaining such adjusted valuation. On or before March 15, annually, the department of revenue shall submit its report on the assessed values established by the previous year's assessment to said committee for approval or rejection and, if approved, such report shall be filed not later than the following July 1 with the commissioner of education and each county auditor for those school districts for which he has the responsibility for determination of mill rates. A copy of the adjusted assessed value so filed shall be forthwith mailed to the clerk of each district involved and to the county assessor or supervisor of assessments of the county or counties in which such district is located.*

(b) [METHODOLOGY.] *In making its annual assessment/sales ratio studies, the department of revenue shall use a methodology consistent with the most recent Standard on Assessment Ratio Studies published by the assessment standards committee of the International Association of Assessing Officers. The commissioner of revenue shall supplement this general methodology with specific procedures necessary for proper execution of the study in accordance with other Minnesota laws impacting the assessment/sales ratio study. The commissioner shall document these specific procedures in writing and shall publish the procedures in the State Register, but these procedures will not be considered "rules" pursuant to the Minnesota administrative procedures act. By January 15, 1985, the commissioner shall report to the Chairmen of the House Tax Committee and the Senate Committee on Taxes and Tax Laws the results of a study which the commissioner shall prepare comparing the 1983 sales ratio study based upon the original 1983 assessment/sales ratio study methodology with the new methodology as provided in clause (b). The 1984 adjusted assessed values which are certified to the commissioner of education shall be computed using the 1983 assessment/sales ratio study methodology unless the 1985 legislature directs otherwise.*

(c) [AGRICULTURAL LANDS.] For purposes of determining the adjusted assessed value of agricultural lands for the calculation of 1977 adjusted assessed values and thereafter, the market value of agricultural lands shall be the arithmetic average of (1) the price for which the property would sell in an arms length transaction, and (2) the income which could be derived from its free market gross rental rate capitalized at a rate of nine percent.

Sec. 2. Minnesota Statutes 1982, section 271.01, subdivision 5, is amended to read:

Subd. 5. [JURISDICTION.] The tax court shall have state-wide jurisdiction. Except for an appeal to the supreme court or any other appeal allowed under this subdivision, the tax court shall be the sole, exclusive, and final authority for the hearing and determination of all questions of law and fact arising under the tax laws of the state, as defined in this subdivision, in those cases that have been appealed to the tax court and in any case that has been transferred by the district court to the tax court. The tax court shall have no jurisdiction in any case that does not arise under the tax laws of the state or in any criminal case or in any case determining or granting title to real property or in any case that is under the jurisdiction of the probate court. The small claims division of the tax court shall have no jurisdiction in any case dealing with property valuation or assessment for property tax purposes until the taxpayer has appealed the valuation or assessment to the town or city board of equalization and to the county board of equalization, except for those taxpayers whose original assessments are determined by the commissioner of revenue. *A property owner, other than a public utility, mining company or the metropolitan airport commission for which the original assessments are determined by the commissioner of revenue, may not appear before the tax court unless a timely appearance in person, by counsel, or by written communication has been made before the county board of equalization as provided in section 274.13, to appeal the assessment of the property, or that he can establish that he did not receive notice of his market value at least five days before the county board of review meeting.* The tax court shall have no jurisdiction in any case involving an order of the state board of equalization unless a taxpayer contests the valuation of his property. Only the taxes, aids and related matters contained in chapters 60A, 124, 270, 272, 273, 274, 275, 276, 277, 278, 279, 285, 287, 288, 290, 290A, 291, 292, 293, 294, 295, 296, 297, 297A, 297B, 298, 299, 340, 473, 473F, and 477A shall be considered tax laws of this state subject to the jurisdiction of the tax court. This subdivision shall not be construed to prevent an appeal, as provided by law, to an administrative agency, board of equalization, or to the commissioner of revenue. Wherever used in chapter 271, the term commissioner shall mean the commissioner of revenue, unless otherwise specified.

Sec. 3. Minnesota Statutes 1982, section 271.06, subdivision 6, is amended to read:

Subd. 6. [HEARINGS; DETERMINATION OF ISSUES; DEFAULT.] The tax court shall hear, consider, and determine without a jury every appeal de novo. A tax court judge may empanel an advisory jury upon his motion. The tax court shall hold a public hearing in every case. All such parties shall have an opportunity to offer evidence and arguments at the hearing; provided, that the order of the commissioner or the appropriate unit of government in every case shall be prima facie valid. When an appeal to the tax court has been taken from an order or determination of the commissioner or from the appropriate unit of government, the proceeding shall be an original proceeding in the nature of a suit to set aside or modify the order or determination. In case no appellant shall appear the tax court shall enter its order affirming the order of the commissioner of revenue or the appropriate unit of government from which the appeal was taken. *If the department of revenue's sales ratio study is introduced in tax court as evidence, the sales ratio data from the study shall be admissible as evidence only as provided in section 278.05, subdivision 4.*

Sec. 4. Minnesota Statutes 1983 Supplement, section 278.01, subdivision 1, is amended to read:

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 16th day of May of the year in which the tax becomes payable. *A property owner, other than a public utility, mining company or the metropolitan airport commission for which the original assessments are determined by the commissioner of revenue, may not appear before the district court or tax court unless a timely appearance in person, by counsel, or by written communication has been made before the county board of equalization as provided in section 274.13, to appeal the assessment of the property, or that he can establish that he did not receive notice of his market value at least five days before the county board of review meeting.* 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 May 16 of the year in which the taxes are payable.

Sec. 5. Minnesota Statutes 1983 Supplement, 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 *if the sales prices used in the study are adjusted for the terms of the sale to reflect market value and are adjusted to reflect the difference in the date of sale compared to the assessment date.* Additional evidence relevant to the sales ratio study is also admissible. No sales ratio study received into evidence shall be conclusive or binding on the court and evidence of its reliability or unreliability may be introduced by any party including, but not limited to, evidence of inadequate adjustment of sale prices for terms of financing, *inadequate adjustment of sales prices to reflect the difference in the date of sale compared to the assessment date, and inadequate sample size.*

*No reduction in value shall be granted on the basis of a sales ratio study published by the department of revenue unless*

(a) *the sales prices are adjusted for the terms of the sale to reflect market value,*

(b) *the sales prices are adjusted to reflect the difference in the date of sale compared to the assessment date,*

(c) *there is an adequate sample size, and*

(d) *the median ratio of the class of property of the subject property in the same county, city or town of the subject property is lower than 90 percent.*

*If the above criteria are met and a reduction in value is granted, the reduction shall reflect only the difference between 90 percent and the percentage of the median ratio.*

Sec. 6. [EFFECTIVE DATE.]

*This article is effective the day following final enactment.*



## ARTICLE 9

Section 1. Minnesota Statutes 1982, section 290.01, subdivision 20e, is amended to read:

Subd. 20e. [MODIFICATION IN COMPUTING TAXABLE INCOME OF THE ESTATE OF A DECEDENT.] Amounts allowable under (SECTION 291.07, SUBDIVISION 1, CLAUSE (2)) *sections 2053 or 2054 of the Internal Revenue Code of 1954* in computing (MINNESOTA INHERITANCE OR) *federal* 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) *a valid election is 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 1983 Supplement, section 291.005, subdivision 1, is amended to read:

Subdivision 1. Unless the context otherwise clearly requires, the following terms used in this chapter shall have the following meanings:

(1) "Federal gross estate" means the gross estate of a decedent as valued and otherwise determined for federal estate tax purposes by federal taxing authorities pursuant to the provisions of the Internal Revenue Code. (2) "Minnesota gross estate" means the federal gross estate of a decedent after (a) excluding therefrom any property included therein which has its situs outside Minnesota and (b) including therein any property omitted from the federal gross estate which is includable therein, has its situs in Minnesota, and was not disclosed to federal taxing authorities. (THE MINNESOTA GROSS ESTATE SHALL BE VALUED PURSUANT TO THE PROVISIONS OF SECTION 291.215, SUBDIVISION 1.)

(3) "Personal representative" means the executor, administrator or other person appointed by the court to administer and dispose of the property of the decedent. If there is no executor, administrator or other person appointed, qualified, and acting within this state, then any person in actual or constructive possession of any property having a situs in this state which is included in the federal gross estate of the decedent shall be deemed to be a personal representative to the extent of the property and the Minnesota estate tax due with respect to the property.

(4) "Resident decedent" means an individual whose domicile at the time of his death was in Minnesota.

(5) "Nonresident decedent" means an individual whose domicile at the time of his death was not in Minnesota.

(6) "Situs of property" means, with respect to real property, the state or country in which it is located; with respect to tangible personal property, the state or country in which it was normally kept or located at the time of the decedent's death; and with respect to intangible personal property, the state or country in which the decedent was domiciled at death.

(7) "Commissioner" means the commissioner of revenue or any person to whom the commissioner has delegated functions under this chapter.

(8) "Internal Revenue Code" means the United States Internal Revenue Code of 1954 as amended through (MARCH 12) December 31, 1983.

Sec. 3. Minnesota Statutes 1983 Supplement, section 291.03, subdivision 1, is amended to read:

Subdivision 1. [(GENERALLY) TAX AMOUNT.] The tax imposed shall be an amount equal to the (GREATER OF:)

((1) A TAX COMPUTED BY APPLYING TO THE MINNESOTA TAXABLE ESTATE THE FOLLOWING PRESCRIBED RATES:)

(10 PERCENT ON THE FIRST \$100,000,)

(11 PERCENT ON THE NEXT \$500,000 OR PART THEREOF,)

(12 PERCENT ON THE EXCESS, OR)

((2) A TAX EQUAL TO THE) same proportion of the maximum credit allowable under section 2011 of the Internal Revenue Code for state death taxes (DESCRIBED HEREIN)

as the Minnesota gross estate bears to the value of the federal gross estate. The tax determined under this paragraph shall not be greater than the maximum credit allowable under section 2011 of the Internal Revenue Code.

Sec. 4. Minnesota Statutes 1982, section 291.075, is amended to read:

**291.075 [SPECIAL USE VALUATION OF QUALIFIED PROPERTY.]**

(WHEN PROPERTY SUBJECT TO THE TAX IMPOSED BY THIS CHAPTER QUALIFIES FOR VALUATION BASED ON ITS USE PURSUANT TO SECTION 2032A OF THE INTERNAL REVENUE CODE, IT SHALL HAVE THE SAME VALUE FOR MINNESOTA ESTATE TAX PURPOSES AS IT HAS FOR FEDERAL ESTATE TAX PURPOSES.) If, after the final determination of the tax imposed by this chapter, the property valued pursuant to section 2032A of the Internal Revenue Code is disposed of or fails to qualify and an additional tax is imposed pursuant to section 2032A(c), any increase in the credit for state death taxes shall be reported to the commissioner within 90 days after final determination of the increased credit. Upon notification the commissioner may assess an additional tax in accordance with section 291.03, subdivision 1 (, CLAUSE (2). NO ADDITIONAL MINNESOTA ESTATE TAX COMPUTED IN ACCORDANCE WITH SECTION 291.03, SUBDIVISION 1, CLAUSE (1) WILL BE IMPOSED NOR WILL AN ADDITIONAL DEDUCTION FOR FEDERAL ESTATE TAXES PAID BE ALLOWED UNDER SECTION 291.07 OR 291.08).

Sec. 5. Minnesota Statutes 1982, section 291.09, subdivision 1a, 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 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 December 31, (1981) 1983 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) all instances (:)

(IN THE CASE OF  
A DECEDENT  
DYING IN)

(A MINNESOTA ESTATE  
TAX RETURN 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)

*in which a federal estate tax return is required to be filed.*

The return shall be accompanied by a federal estate tax return, a schedule of all assets in the estate at their date of death values, and shall contain a computation of the Minnesota estate tax due. The return shall be signed by the personal representative.

Sec. 6. Minnesota Statutes 1983 Supplement, section 291.09, subdivision 3a, is amended to read:

Subd. 3a. (1) The commissioner may challenge matters of (VALUATION OR) taxability of any assets reported on the return (, OR ANY DEDUCTIONS CLAIMED,) or the computation of tax, only if within 180 days from the due date of the return or the receipt of the return and all documents required to be filed with the return, whichever is later, the commissioner mails or delivers a written notice to the personal representative objecting to the return as filed and specifying the reasons for the objection.

(2) If the personal representative disagrees with the objection or does not wish to fully comply with the objection, he may request that the commissioner hold a hearing on the objection. Within 30 days of receipt of a request, the commissioner shall set a time and place for hearing. Unless otherwise agreed upon, the hearing date shall not be earlier than 30 days nor later than 60 days from the date of the notice setting the hearing. The notice of hearing shall set forth the rights available to the personal representative under chapter 14. Not later than 30 days after the commissioner receives the report and recommendation of the hearing examiner, or a written waiver of his hearing rights by the personal representative, the commissioner shall issue an order determining the tax. Any such determination

made by the commissioner may be appealed to the tax court as provided in section 271.09.

(3) At any time together with or after the objection, the commissioner, on his own initiative, may set a time and place for a hearing in accordance with (2) above.

(4) In his objection, or at any time thereafter, the commissioner may assess any additional tax as the facts may warrant, subject to the right of the personal representative to demand a hearing under chapter 15. If the personal representative does not demand a hearing within 90 days of the date of the assessment, the tax so assessed shall be legally due and the commissioner may proceed to collect (ANY) *the* unpaid tax (AFTER ONE YEAR FROM THE DATE OF DEATH). If the commissioner later finds the tax assessment to be erroneous, he may adjust the assessment prior to collection.

(5) The commissioner shall not be required to object to any subsequent original, amended or supplemental return in order to preserve his rights. The commissioner shall not be precluded from objecting to a subsequent original, amended or supplemental return even though an original return was accepted as filed. If the commissioner had accepted an original return showing no tax due and a subsequent original, amended or supplemental return discloses additional assets not disclosed on the original return, the commissioner may object to any matter of valuation, taxability, deduction or computation of tax on the original return within 180 days of receipt of the subsequent original, amended or supplemental return.

(6) Subject to the provisions of sections 291.11 and 291.215, the Minnesota estate tax liability shall be considered as finally determined on the date notification of acceptance is issued to the personal representative or, if no objection is filed, on the day following 180 days from the due date of the return or the receipt of the return, together with all other documents required to be filed with the return, whichever is later.

(7) Subject to the time limits imposed elsewhere in this chapter, the commissioner may refund an overpayment of tax, penalty or interest even though the personal representative has not made an application for refund.

Sec. 7. Minnesota Statutes 1982, section 291.132, subdivision 2, is amended to read:

Subd. 2. In lieu of an extension provided pursuant to subdivision 1 or payment of the estate tax in installments pursuant to section 291.11 on the property which qualifies under this subdivision, the personal representative may elect to extend the time for payment of the tax on property which qualifies for valuation under section (291.075) *2032A of the Internal Revenue Code*.

The personal representative of an estate containing such property may elect to pay all or part of the tax imposed by this chapter in one or more, but not to exceed ten, equal installments, provided that the maximum amount of tax which may be paid in installments pursuant to this subdivision shall be an amount which bears the same ratio to the estate's tax liability under this chapter as the value of property determined pursuant to section (291.075) 2032A of the Internal Revenue Code and included in the Minnesota taxable estate bears to the amount of the Minnesota taxable estate. The first installment shall be paid on or before the date selected by the personal representative. The date may be no more than five years after the date prescribed by section 291.11, subdivision 1, for payment of the estate tax. Each succeeding installment shall be paid on or before that same date each year. An election under this subdivision shall be made not later than nine months after the decedent's death and shall be made in the manner as the commissioner shall prescribe by rule.

Sec. 8. Minnesota Statutes 1982, section 291.215, subdivision 1, is amended to read:

Subdivision 1. All property includable in the Minnesota gross estate of a decedent shall be valued in accordance with the provisions of sections 2031 or 2032 and, if applicable, 2032A, of the Internal Revenue Code and any elections made in valuing the federal gross estate shall be applicable in valuing the Minnesota gross estate. (EXCEPT AS OTHERWISE PROVIDED IN SECTION 291.075, THE VALUE OF ALL PROPERTY INCLUDABLE IN THE MINNESOTA GROSS ESTATE OF A DECEDENT MAY BE INDEPENDENTLY DETERMINED UNDER SAID SECTIONS FOR MINNESOTA ESTATE TAX PURPOSES.)

Sec. 9. [REPEALER.]

*Minnesota Statutes 1982, sections 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; and 291.111 are repealed.*

Sec. 10. [EFFECTIVE DATE.]

*Section 1 is effective for taxable years beginning after December 31, 1984. Sections 2 to 9 are effective for estates of decedents dying after December 31, 1984.*

## ARTICLE 10

Section 1. Minnesota Statutes 1982, section 270.80, subdivision 4, is amended to read:

Subd. 4. "Nonoperating property" means and includes all property other than property defined in subdivision 3. Nonoperating property shall include real property which is leased or

rented or available for lease or rent to any person which is not a railroad company. Vacant land shall be presumed to be available for lease or rent if it has not been used as operating property for a period of one year preceding the valuation date. Nonoperating property also includes land which is not necessary and integral to the performance of railroad transportation services and which is not used on a regular and continual basis in the performance of these services. *Nonoperating property also includes that portion of a general corporation office building and its proportionate share of land which is not used for railway operation or purpose.*

Sec. 2. Minnesota Statutes 1982, section 270.84, subdivision 1, is amended to read:

Subdivision 1. The commissioner shall annually between April 30 and July 31 make a determination of the fair market value of the operating property of every railroad company doing business in this state as of January 2 of the year in which the valuation is made. (IN DETERMINING THE FAIR MARKET VALUE OF THE PORTION OF OPERATING PROPERTY WITHIN THIS STATE, THE COMMISSIONER SHALL VALUE THE OPERATING PROPERTY AS A UNIT. TAKING INTO CONSIDERATION THE VALUE OF THE OPERATING PROPERTY OF THE ENTIRE SYSTEM, AND SHALL ALLOCATE TO THIS STATE THAT PART THEREOF WHICH IS A FAIR AND REASONABLE PROPORTION OF SAID ENTIRE SYSTEM VALUATION. IF THE COMMISSIONER USES ORIGINAL COST AS A FACTOR IN DETERMINING THE UNIT VALUE OF OPERATING PROPERTY, NO DEPRECIATION OR OBSOLESCENCE ALLOWANCE SHALL BE PERMITTED. HOWEVER, IF THE COMMISSIONER USES REPLACEMENT COST AS A FACTOR IN DETERMINING THE UNIT VALUE OF OPERATING PROPERTY, THEN A REASONABLE DEPRECIATION AND OBSOLESCENCE ALLOWANCE MAY BE USED) *In making this determination, the commissioner shall employ generally accepted appraisal principles and practices which may include the unit method of determining value. The commissioner may promulgate temporary rules adopting valuation procedures under sections 14.29 to 14.36.*

The commissioner shall give a report to the legislature in February (1980) 1985 and in February (1981) 1986 on the formula which he has used to determine the (UNIT) value of railroad operating property pursuant to (LAWS 1979, CHAPTER 303) *this article*. This report shall also contain the valuation for payable (1980) 1985 and (1981) 1986 by company and the taxes payable in (1980) 1985 and (1981) 1986 by company based upon the valuation of operating property. The legislature may review the formula, the valuation, and the resulting taxes and may make changes in the formula that it deems necessary.

Sec. 3. Minnesota Statutes 1982, section 270.86, is amended to read:

**270.86 [APPORTIONMENT AND EQUALIZATION OF VALUATION.]**

*Subdivision 1. [APPORTIONMENT OF VALUE.]* Upon determination by the commissioner of the fair market value of the operating property of each railroad company, he shall apportion such value to the respective counties and to the taxing districts therein in conformity with fair and reasonable rules and standards to be established by the commissioner pursuant to notice and hearing, except as provided in section 270.81. In establishing such rules and standards the commissioner may consider (a) the physical situs of all station houses, depots, docks, wharves, and other buildings and structures with an original cost in excess of \$10,000; (b) the proportion that the length and type of all the tracks used by the railroad in such county and taxing district bears to the length and type of all the track used in the state; and (c) other facts as will result in a fair and equitable apportionment of value.

*Subd. 2. [EQUALIZED VALUATION.]* After making the apportionment provided in subdivision 1, the commissioner shall determine the equalized valuation of the operating property in each county by applying to the apportioned value an estimated current year median sales ratio for all commercial and industrial property in that county. If the commissioner decides there are insufficient sales to determine a median commercial-industrial sales ratio, an estimated current year countywide median sales ratio for all property shall be applied to the apportioned value. No equalization shall be made to the market value of the operating property if the median sales ratio determined pursuant to this subdivision is within five percent of the assessment ratio of the railroad operating property.

Sec. 4. Minnesota Statutes 1982, section 270.87, is amended to read:

**270.87 [CERTIFICATION TO COUNTY ASSESSORS.]**

When the commissioner has made his annual determination of the equalized fair market value of the operating property of each company in each of the respective counties, and in the taxing districts therein, he shall certify the equalized fair market value to the county assessor, which shall constitute the equalized fair market value of the operating property of the railroad company in such county and the taxing districts therein upon which taxes shall be levied and collected in the same manner as on the commercial and industrial property of such county and the taxing districts therein.



## Sec. 5. [APPROPRIATION.]

*There is appropriated from the general fund to the commissioner of revenue the amounts necessary to make refunds of property taxes to railroads for assessment years 1981 and 1982 as a result of a change in the assessed valuation of railroad property. For purposes of this section, the term "property taxes" includes any interest which is required to be paid to the railroads. For purposes of this section, the term "taxing districts" includes counties, cities, towns, and special taxing districts.*

*The county auditor shall certify the amount of refunds paid to the railroads by all taxing districts in the county to the commissioner of revenue, provided that any refunds of less than \$50 which a taxing district made to a railroad shall be disregarded. The certification must be made on the forms and completed by the date prescribed by the commissioner. The commissioner of revenue shall review the certification and make changes in the certification that he determines are necessary. The commissioner shall make the payment to the county treasurer as soon as practicable after certification. The county treasurer shall make payment to each taxing district after apportionment by the county auditor.*

*This appropriation is available the day after final enactment until expended.*

## Sec. 6. [REPEALER.]

*Minnesota Statutes 1982, section 270.90, is repealed.*

## Sec. 7. [EFFECTIVE DATE.]

*Section 5 is effective the day after final enactment. The remaining sections in this article are effective for the 1984 assessment and subsequent years, for taxes payable in 1985 and subsequent years."*

Delete the title and insert:

"A bill for an act relating to taxation; repealing the income tax surtax; modifying the designation of enterprise zones; increasing the funding for enterprise zones; modifying the definition of political party under the political contribution credit; providing an income tax credit for conservation tillage farm equipment; eliminating racehorses from the farm loss modification; permitting certain net operating loss carrybacks; permitting deduction of certain foreign taxes paid; allowing deduction of foreign dividends and royalties; modifying the definition of apportionment factors; restricting tax exemptions for redevelopment companies; changing the computation of the school agricultural credit retroactive to taxes payable in 1984

in certain cases; modifying the maximum targeting credit for payable 1984; providing a targeting credit for payable 1985; changing computation of certain local government aid payments; directing the department of revenue to issue guidelines on certain topics; instructing the commissioner to determine production value ratio; authorizing certain additional levies in counties; modifying the use of the sales ratio study as evidence in court; changing the methodology of the sales ratio study; changing certain property tax appeal procedures; imposing requirements for disaster relief credits; increasing agricultural aid to certain property; modifying the homestead credit provisions for certain property and providing refunds; changing the classification ratio maximum value on commercial and industrial property; limiting the property tax exemption for certain projects; repealing the exemption for franchise and special taxes and fees for certain projects; modifying the property tax refund with respect to certain claims; repealing rent capitalization; changing the estate tax; allowing the commissioner more discretion in valuing railroad property; providing for equalization of railroad valuations; authorizing the Ramsey-Washington metro watershed district to establish a maintenance and repair fund and levy taxes; creating the Croft historical park board; authorizing the board to levy taxes; authorizing the city of Cloquet to levy taxes for certain transit expenses; authorizing the conveyance of certain land in St. Louis County; clarifying the application of the mortgage registry tax to revolving lines of credit; changing the procedures for refunds of the motor fuels tax; reducing the sales tax rate for purchases of capital equipment and manufactured housing; exempting agricultural electricity, residential hot water district heating, and used manufactured housing from the sales tax; exempting residential district heating from the St. Paul franchise tax; repealing the accelerated payment of sales tax; transferring motor vehicle excise tax proceeds to the highway user and transit funds; providing for the priority of certain liens securing revolving lines of credit; appropriating money; amending Minnesota Statutes 1982, sections 10A.31, subdivisions 3a and 5; 124.2131, subdivision 1; 270.80, subdivision 4; 270.84, subdivision 1; 270.86; 270.87; 271.01, subdivision 5; 271.06, subdivision 6; 273.123, by adding subdivisions; 273.13, subdivisions 9 and 19; 287.05, by adding subdivisions; 290.01, subdivision 20e; 290.06, by adding a subdivision; 290.19, subdivision 1a; 290.21, by adding a subdivision; 290A.04, by adding a subdivision; 291.075; 291.09, subdivision 1a; 291.132, subdivision 2; 291.215, subdivision 1; 296.18, subdivisions 3 and 8; 297A.01, by adding subdivisions; 297A.15, by adding a subdivision; 297B.035, subdivision 3; 462.651, subdivision 1, and by adding a subdivision; and 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6 and 21; 273.1314, subdivisions 6, 8, and 15; 278.01, subdivision 1; 278.05, subdivision 4; 290.06, subdivision 11; 290.09, subdivision 29; 290.18, subdivision 2; 290.21, subdivision 4; 290A.03, subdivisions 8 and 13; 290A.04, subdivision 2e, and by adding a subdivision; 290A.05; 291.005,

subdivision 1; 291.03, subdivision 1; 291.09, subdivision 3a; 296.14, subdivision 4; 296.18, subdivision 1; 297A.02, subdivision 2, and by adding a subdivision; 297A.14; 297A.25, subdivision 1; 297A.27, subdivision 1; 297B.09; and 477A.013, subdivision 1; Laws 1979, chapter 189, section 2; proposing new law coded in Minnesota Statutes, chapters 507 and 508; repealing Minnesota Statutes 1982, sections 270.90; 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; 291.111; and 462.651, subdivision 2; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; 290.06, subdivisions 2e and 13; 297A.275; and 462.651, subdivision 3; and Laws 1983, chapter 342, article 1, section 8."

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. 2258, A bill for an act relating to public utilities; amending the definition of public utility; amending Minnesota Statutes 1983 Supplement, section 216B.02, subdivision 4.

Reported the same back with the recommendation that 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. 868, A bill for an act relating to natural resources; designating the morel as the official state mushroom; proposing new law coded in Minnesota Statutes, chapter 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

S. F. No. 1349, A bill for an act relating to liquor; abolishing prohibition on furnishing liquor to certain persons and exclusion of certain persons from liquor establishments after notice;

amending Minnesota Statutes 1982, section 340.601; repealing Minnesota Statutes 1982, sections 340.73, subdivision 2; 340.78; and 340.81.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 340.07, subdivision 14, is amended to read:

Subd. 14. "Restaurant" means any establishment, other than a hotel, under the control of a single proprietor or manager, having appropriate facilities for the serving of meals, and where, in consideration of payment therefor, meals are regularly served at tables to the general public, and which employs an adequate staff to provide the usual and suitable service to its guests. In cities of the first class such establishment shall have facilities for seating not less than 50 guests at one time; in cities of the second and third class and statutory cities of over 10,000 population, such establishment shall have facilities for seating not less than 30 guests at one time, or such greater number as the municipality may determine; and in cities of the fourth class and statutory cities of 10,000 population or less, in such manner as the municipality shall determine; (AND) in an unincorporated or unorganized area of a county *other than St. Louis, Cook, and Lake counties* such establishment shall have facilities for seating not less than 100 guests at one time or such greater number as the county board may determine; *and in an unincorporated or unorganized area of St. Louis, Cook, and Lake counties the establishment must have facilities for seating not less than 50 guests at one time.*

Sec. 2. Minnesota Statutes 1982, section 340.114, is amended by adding a subdivision to read:

*Subd. 5. This section does not apply to intoxicating liquor which is further distilled, refined, rectified, blended, bottled, or labeled with the importers' own labels after importation into Minnesota or is labeled with a brand belonging to and registered by a licensed wholesaler having its principal place of business in Minnesota.*

Sec. 3. Minnesota Statutes 1982, section 340.601, is amended to read:

340.601 [IMPORT; TAX EVASION, MISDEMEANOR.]

(ANY) A person, excluding persons of minor age and other disqualified persons as provided by (SECTIONS) *section 340.73 (AND 340.78)*, who enters the state of Minnesota from another state may have in his personal possession one quart (32 ounces) of intoxicating liquor or fermented malt beverages or who enters

the state of Minnesota from a foreign country may have in his possession one gallon (128 ounces) of intoxicating liquor or ten quarts (320 ounces) of fermented malt beverages without the required payment of the Minnesota excise tax. (ANY) A collector of commemorative bottles as defined in section 340.44, clauses (6) and (7), excluding persons of minor age and other disqualified persons as provided by (SECTIONS) *section* 340.73 (AND 340.78), who enters the state of Minnesota from another state may have in his personal possession 12 or fewer commemorative bottles without the required payment of the Minnesota excise tax. (ANY) A person who (SHALL IMPORT) *imports* or (HAVE) *has* in his possession any (SUCH) untaxed intoxicating liquor or fermented malt beverages in excess of the quantities provided for in this section is guilty of a misdemeanor. (THE FOREGOING) *These* provisions do not apply to the consignments of alcoholic beverages shipped into this state by holders of Minnesota import licenses or Minnesota manufacturers and wholesalers of (SUCH) *alcoholic* beverages when duly licensed by the commissioner or to common carriers with licenses to sell intoxicating liquor in more than one state. (ANY) A peace officer, the commissioner, or (HIS) *the commissioner's* authorized agents, may seize such untaxed liquor.

#### Sec. 4. [SHINGOBEE OFF-SALE LICENSES.]

*Notwithstanding any other provision of law, the town of Shingobee in Cass County may renew any off-sale intoxicating liquor licenses issued by it prior to the effective date of this section, and all licenses issued by the town prior to the effective date of this section may remain in effect.*

#### Sec. 5. [LAKE EDWARD OFF-SALE LICENSES.]

*Notwithstanding any other provision of law, the town of Lake Edward in Crow Wing County may renew any off-sale intoxicating liquor licenses issued by it prior to the effective date of this section, and all licenses issued by the town prior to the effective date of this section may remain in effect.*

#### Sec. 6. [MORATORIUM ON CERTAIN LICENSES.]

*Notwithstanding the provisions of Minnesota Statutes, section 340.11, subdivision 10b, town boards of towns exercising powers under Minnesota Statutes, section 368.01, subdivision 1, may not issue any new off-sale intoxicating liquor licenses for a period of two years beginning with the effective date of this section. Licenses previously issued under section 340.11, subdivision 10b, may be renewed.*

#### Sec. 7. [ROSEVILLE LICENSES.]

*Notwithstanding any law to the contrary, the city of Roseville may issue six on-sale intoxicating liquor licenses in addi-*

tion to those authorized by law. The licenses are subject to all other provisions of Minnesota Statutes, chapter 340.

Sec. 8. [WEST ST. PAUL LICENSES.]

*Notwithstanding any law to the contrary, the city of West St. Paul may issue one on-sale intoxicating liquor license in addition to those authorized by law. The license is subject to all other provisions of Minnesota Statutes, chapter 340.*

Sec. 9. [ST. PAUL, CITY OF, ORDWAY MUSIC THEATRE; LIQUOR LICENSE.]

*In addition to the licenses now authorized by law and notwithstanding any law or ordinance to the contrary, the city of St. Paul may issue an on-sale liquor license to the governing body of the Ordway Music Theatre for the premises known as the Ordway Music Theatre. The license may, with the prior approval of the governing body of the Ordway Music Theatre, be used any place on the premises of the music theatre by a person, firm, or corporation that has contracted for the use of the premises for an event or by a caterer of the person, firm, or corporation approved by the governing body of the Ordway Music Theatre. The license may be used by the person, firm, corporation, or caterer notwithstanding that the person, firm, corporation, or caterer may hold on-sale licenses in their own right.*

Sec. 10. [ST. PAUL LICENSES.]

*Notwithstanding any law or charter provision to the contrary, the city of Saint Paul may issue retail intoxicating liquor licenses within the territory where sale of intoxicating liquor was prohibited by Special Laws 1885, chapter 281, section 6, in excess of the number authorized by Minnesota Statutes, sections 340.57 to 340.59, subject to the limitations of section 340.11, subdivision 5a.*

Sec. 11. [SALE OF LIQUOR AT ST. LOUIS COUNTY HERITAGE AND ARTS CENTER.]

*Notwithstanding any law to the contrary, the Duluth city council may by ordinance authorize on-sale intoxicating liquor license holders in the city to sell intoxicating liquor at any convention, banquet, conference, meeting, or social affair conducted on the premises of the St. Louis County Heritage and Arts Center when the licensee has been engaged by a person or organization authorized by the board of directors of the center to use said premises for the event. Sales shall be made only to persons attending the event and shall be subject to all laws and ordinances governing the sale of intoxicating liquor not inconsistent with this act. The city council may impose any additional restrictions on sales it deems appropriate and may fix and assess a fee to be*

*paid by the licensee for each event at which sales are made. The authority granted herein shall not be construed to be the granting of an additional on-sale intoxicating liquor license in Duluth.*

Sec. 12. [REPEALER.]

*Minnesota Statutes 1982, sections 340.57; 340.58; 340.59; 340.73, subdivision 2; 340.78; and 340.81; and Special Laws 1885, chapter 281, section 6, are repealed.*

Sec. 13. [EFFECTIVE DATE.]

*Sections 1, 5, and 6 are effective the day following final enactment. Section 4 is effective the day following final enactment and expires on July 1, 1985. Section 7 is effective on approval by the Roseville city council and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 8 is effective on approval by the West St. Paul city council and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 9 is effective on approval by the St. Paul city council and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 10 is effective August 1, 1984, following approval of the St. Paul city council and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 11 is effective on approval of the Duluth city council and compliance with Minnesota Statutes, section 645.021, subdivision 3."*

Delete the title and insert:

"A bill for an act relating to liquor; permitting exclusive sale by Minnesota wholesalers, distillers, rectifiers, or bottlers of brands they own; restricting locations to which urban towns may issue off-sale licenses; repealing prohibitions on furnishing liquor to certain persons and excluding certain persons from liquor establishments after notice; providing for the validity of certain licenses in the towns of Shingobee and Lake Edwards; imposing a moratorium on certain off-sale licenses issued by towns; authorizing Roseville and West St. Paul to issue additional on-sale intoxicating liquor licenses; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth; authorizing the issuance of a license for the sale of intoxicating liquor at the Ordway Music Theatre; abolishing certain restrictions on the issuance of on-sale intoxicating liquor licenses in St. Paul; amending Minnesota Statutes 1982, sections 340.07, subdivision 14; 340.114, by adding a subdivision; and 340.601; repealing Minnesota Statutes 1982, sections 340.57; 340.58; 340.59; 340.73, subdivision 2; 340.78; and 340.81; and Special Laws 1885, chapter 281, section 6."

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 2016 and 2258 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 868 and 1349 were read for the second time.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House File was introduced:

Rice, for the Committee on Appropriations, introduced:

H. F. No. 2317, A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; creating and modifying agencies and functions; fixing and limiting fees; requiring studies and reports; appropriating money; amending Minnesota Statutes 1982, sections 3.099, subdivisions 2 and 3; 3.30, subdivision 2; 3.3005; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 15.0575, subdivision 3; 15.0597, subdivision 1; 16.026, subdivisions 3 and 7; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision 2; 16A.28; 16A.45; 16A.53; 16A.63; 16A.64, as amended; 16A.65; 16A.66, as amended; 16A.671; 16A.675; 43A.27, by adding a subdivision; 43A.30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84B.03, by adding a subdivision; 94.16; 117.085; 117.195, subdivision 1; 117.232, subdivision 1; 125.031; 136.11, subdivisions 2 and 7; 136.506; 136.55, subdivision 2; 136A.81, subdivision 1; 138.31, subdivisions 2, 5, 9, 10, and by adding a subdivision; 138.33; 138.34; 138.35; 138.36; 138.37, subdivision 2; 138.38; 138.39; 138.40; 138.41; 144.413, subdivision 2; 144.414; 158.07; 158.08; 161.173; 161.174; 168.12, subdivisions 1 and 5; 168.33, subdivision 2; 169.966, subdivision 1a, and by adding a subdivision; 174.22, subdivisions 5, 10, and 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions 1, 2, and 5; 174.265, subdivision 3; 179.741, subdivision 2; 214.001, subdivision 2; 214.13, subdivisions 1, 2, 3, and 5; 221.295; 239.10; 241.66, subdivision 2; 245.811; 256E.07, subdivision 1, and by adding subdivisions; 296.13; 299D.03, subdivision 2; 340.11, subdivision 11a; 345.47, subdivision 1, and by adding a subdivision; 345.525; 352.01, subdivision 2A; 359.01; 462A.05, subdivision 20; 473.121, subdivisions 7, 10, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.181, subdivision 3; 473.223; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, subdivision 2a, and by adding subdivisions; and 473.449; Minnesota Stat-



utes 1983 Supplement, sections 3.3026, subdivision 5; 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivisions 1, 6, and 7; 16A.125, subdivision 5; 16A.15, subdivision 6; 16A.-36; 16A.672; 43A.04, subdivision 8; 85.40, subdivision 5; 85.41, subdivisions 3, 4, and 5; 116J.70, subdivision 2a; 135A.03, subdivisions 1, 3, and 4; 135A.07, subdivision 2; 136.144; 136A.-121, subdivision 2; 161.43; 161.44, subdivision 6a; 174.24, subdivision 3; 180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 221.041, by adding a subdivision; 221.071, subdivision 1; 256.01, subdivision 2; 256B.501, subdivision 10; 256D.111, subdivision 2; 256D.112; 268.673, subdivision 5; 268.-675; 268.676, subdivisions 1 and 2; 268.677; 268.686; 268.80; 268.81; 298.296, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 473.436, subdivision 6; 517.08, subdivision 1c; Laws 1983, chapter 199, section 17, subdivision 2; chapter 258, section 2, subdivision 7; chapter 290, section 172; chapter 293, sections 1; 2, subdivisions 2, 8, and 9; 4, subdivisions 1 and 3; and 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 13, 16, 16A, 18, 48, 84, 136, 138, 161, 190, 214, 221, 246, 256B, 268, 349, and 473; proposing new law coded as Minnesota Statutes, chapters 16B, 40A, 119, and 494; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.54; 16A.59; 16A.73; 84.82, subdivision 9; 120.83; 136.11, subdivision 6; 136A.133; 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 256E.07, subdivision 3; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; and 473.451; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81; Laws 1983, chapter 289, section 102.

The bill was read for the first time and laid over one day.

## MOTIONS AND RESOLUTIONS

Vellenga moved that the name of Long be stricken and the name of Bishop be added as an author on H. F. No. 1400. The motion prevailed.

Simoneau moved that the name of Osthoff be added as an author on H. F. No. 1421. The motion prevailed.

Simoneau moved that the name of Sarna be added as chief author on H. F. No. 1427. The motion prevailed.

Onnen moved that the name of Blatz be added as an author on H. F. No. 1453. The motion prevailed.

Onnen moved that the name of Blatz be added as an author on H. F. No. 1454. The motion prevailed.

Neuenschwander moved that the name of Begich be stricken and the name of Ogren be added as an author on H. F. No. 1846. The motion prevailed.

Ellingson moved that the name of Long be added as an author on H. F. No. 2012. The motion prevailed.

Anderson, B., moved that H. F. No. 2178 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 12:00 noon, Wednesday, April 11, 1984. The motion prevailed.

Eken moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 12:00 noon, Wednesday, April 11, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SEVENTY-FIFTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 11, 1984

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 Reverend Robert W. Wesolek, O.S.C., Church of St. Stephen, Anoka, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Evans	Krueger	Peterson	Solberg
Anderson, G.	Findlay	Kvam	Piepho	Sparby
Anderson, R.	Fjoslien	Larsen	Piper	Staten
Battaglia	Forsythe	Levi	Price	Swiggum
Beard	Frerichs	Long	Quinn	Swanson
Begich	Graba	Ludeman	Quist	Thiede
Bennett	Greenfield	Mann	Redalen	Tomlinson
Bergstrom	Gruenes	Marsh	Reif	Tunheim
Bishop	Gustafson	McDonald	Rice	Uphus
Blatz	Gutknecht	McEachern	Riveness	Valan
Boo	Haukoos	McKasy	Rodosovich	Valento
Brandl	Heap	Metzen	Rodriguez, C.	Vanasek
Brinkman	Heinitz	Minne	Rodriguez, F.	Vellenga
Burger	Himle	Munger	Rose	Voss
Carlson, D.	Hoberg	Murphy	St. Onge	Waltman
Carlson, L.	Hoffman	Nelson, D.	Sarna	Welch
Clark, J.	Hokr	Nelson, K.	Schafer	Welker
Clark, K.	Jacobs	Neuenschwander	Scheid	Welle
Clawson	Jennings	Norton	Schoenfeld	Wenzel
Cohen	Jensen	O'Connor	Schreiber	Wigley
Coleman	Johnson	Ogren	Seaberg	Wynia
Dempsey	Kahn	Olsen	Segal	Zaffke
DenOuden	Kalis	Omann	Shaver	Speaker Sieben
Dimler	Kelly	Onnen	Shea	
Elioff	Knickerbocker	Osthoff	Sherman	
Ellingson	Knuth	Otis	Simoneau	
Erickson	Kostohryz	Pauly	Skoglund	

A quorum was present.

Eken and Stadum were excused.

Halberg was excused until 1:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. McDonald 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. 702, 1601, 1820, 1923, 2148, 2258, 1635, 1757, 1421, 2016 and 2314 and S. F. Nos. 1235, 214, 1349, 1750 and 1810 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 688, A bill for an act relating to the disposal and reuse of waste tires; defining terms; establishing a waste tire recycling account in the state treasury; providing for the expenditure of money in the account; granting certain powers to counties relative to tire dumps and the disposal of waste tires; defining duties and responsibilities of the pollution control agency; authorizing certain studies; providing for the licensure and regulation of waste tire processors; imposing an excise tax supplemental to the general sales tax on the sale at retail of new tires; imposing a registration and transfer tax on certain vehicles; providing for certain tax credits; appropriating money; amending Minnesota Statutes 1982, sections 86.11, by adding a subdivision; and 290.06, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 168B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [115A.90] [DEFINITIONS.]

*Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 12.*

*Subd. 2. [AGENCY.] "Agency" means the pollution control agency.*

*Subd. 3. [COLLECTION SITE.] "Collection site" means a permitted site, or a site exempted from permit, used for the storage of waste tires.*

*Subd. 4. [COMMISSIONER.] "Commissioner" means commissioner of energy and economic development.*

*Subd. 5. [PERSON.] "Person" has the meaning given in section 116.06, subdivision 8.*

*Subd. 6. [PROCESSING.] "Processing" means producing or manufacturing usable materials, including fuel, from waste tires including necessary incidental temporary storage activity.*

*Subd. 7. [TIRE.] "Tire" means a pneumatic tire or solid tire for motor vehicles as defined in section 169.01.*

*Subd. 8. [TIRE COLLECTOR.] "Tire collector" means a person who owns or operates a site used for the storage, collection, or the deposit of more than 50 waste tires.*

*Subd. 9. [TIRE DUMP.] "Tire dump" means an establishment, site, or place of business without a required permit under section 2 that is maintained, operated, used, or allowed to be used for storing, keeping, or depositing unprocessed waste tires.*

*Subd. 10. [TIRE PROCESSOR.] "Tire processor" means a person engaged in the processing of waste tires.*

*Subd. 11. [WASTE TIRE.] "Waste tire" means a tire that is no longer suitable for its original intended purpose because of wear, damage, or defect.*

## **Sec. 2. [115A.902] [PERMIT.]**

*Subdivision 1. [PERMIT REQUIRED.] A tire collector or tire processor with more than 500 waste tires shall obtain a permit from the agency unless exempted in subdivision 2. The agency may by rule require tire collectors or tire processors with less than 500 waste tires to obtain permits unless exempted by subdivision 2.*

*Subd. 2. [EXEMPTIONS.] A permit is not required for:*

*(1) a retail tire seller for the retail selling site if no more than 500 waste tires are kept on the business premises;*

*(2) an owner or operator of a tire retreading business for the business site if no more than 3,000 waste tires are kept on the business premises;*

*(3) an owner or operator of a business who, in the ordinary course of business, removes tires from motor vehicles if no more than 500 waste tires are kept on the business premises;*

*(4) a permitted landfill operator with less than 10,000 waste tires stored above ground at the permitted site; or*

(5) a person using waste tires for agricultural purposes if the waste tires are kept on the site of use.

*Subd. 3. [LOCAL AUTHORITY.] The issuance of an agency permit does not replace a permit or license required under section 400.16 or 473.811.*

**Sec. 3. [115A.904] [LAND DISPOSAL PROHIBITED.]**

*The disposal of waste tires in the land is prohibited after July 1, 1985. This does not prohibit the storage of unprocessed waste tires at a collection or processing facility.*

**Sec. 4. [115A.906] [WASTE TIRE NUISANCE; ABATEMENT.]**

*Subdivision 1. [NUISANCE.] A tire dump unreasonably endangers the health, safety, and comfort of individuals and the public and is a nuisance.*

*Subd. 2. [ABATEMENT.] The agency may, after notice and hearing, abate a tire dump nuisance by entering the property where the tire dump is located, taking tires into public custody, and providing for their processing and removal. The tire collector responsible for the tire dump is liable for the costs of abatement. The attorney general may bring an action to recover amounts spent by the agency for abatement. Amounts recovered, including money paid under an agreement, stipulation, or settlement shall be credited to the general fund.*

*Subd. 3. [OTHER ABATEMENT.] This section does not change the existing authority of a person or political subdivision to abate a tire dump nuisance. The agency may reimburse a person or political subdivision for the costs of abatement.*

*Subd. 4. [PRIORITIES FOR SPENDING.] In spending the appropriation the following criteria shall be applied to establish priorities: (1) tire dumps or collection sites determined by the agency to contain more than 1,000,000 tires; (2) abatement of fire hazard nuisances; (3) abatement of nuisance in densely populated areas; and (4) collection and clean up of waste tires including abatement of tire dumps.*

*Subd. 5. [CONTRACTS WITH COUNTIES.] The agency may contract with counties for the abatement of waste tire nuisances.*

**Sec. 5. [115A.914] [RULES; COUNTY PLANNING; ORDINANCES.]**

*Subdivision 1. [RULES.] The agency and the commissioner shall adopt rules for administration of sections 2 and 4.*

*Subd. 2. [COUNTY PLANNING; ORDINANCES.] Counties shall include collection and processing of waste tires in the solid waste management plan prepared under sections 115A.42 to 115A.46 and shall adopt ordinances under sections 400.16 and 473.811 for management of waste tires that embody, but may be more restrictive than, agency rules.*

Sec. 6. Minnesota Statutes 1982, section 116J.88, is amended by adding a subdivision to read:

*Subd. 8a. [WASTE TIRE RECYCLING LOAN.] "Waste tire recycling loan" means a loan to a business to finance acquisition of land, buildings, or equipment, installation of equipment, construction of buildings, and capital improvements for waste tire processing as defined in section 1, subdivision 6.*

Sec. 7. Minnesota Statutes 1982, section 116J.90, is amended by adding a subdivision to read:

*Subd. 2a. [WASTE TIRE RECYCLING LOANS AND GRANTS.] The authority may make waste tire recycling loans to businesses. Applications for the loans are not complete unless the waste tire recycling project for which the loan is to be made is certified to be technically feasible by the director of the pollution control agency. The authority may make grants for studies necessary to demonstrate the technical and economic feasibility of a proposed waste tire recycling project. A grant must be less than \$30,000 and may not exceed 75 percent of the costs of the study.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4, is amended to read:

*Subd. 4. It may adopt, amend, and repeal permanent or temporary rules not inconsistent with the provisions of sections (116J.88) 116J.875 to 116J.91 as necessary to effectuate its purposes.*

Sec. 9. [COLLECTION AND INCINERATION STUDY.]

*(a) The director of the agency shall make a study, report, and recommendations of the following:*

*(1) the number and geographical distribution of waste tires generated and existing tire dumps and collection sites;*

*(2) financial responsibility requirements needed to cover tire collectors and processors;*

*(3) the optimum location of collection sites to facilitate tire processing;*



(4) alternative methods to collect waste tires in small tire dumps and to collect tires from waste tire generators, including costs;

(5) the options for waste tire recycling, their current use, and the feasibility of future use;

(6) methods to establish reliable sources of waste tires for waste tire users; and

(7) the types of facilities in Minnesota that can utilize waste tires as a fuel source, the cost of equipment needed to modify existing types of facilities, the cost of test burns, the feasibility of operating each type of facility utilizing waste tires as a fuel source, and the location of those facilities.

(b) The report shall include recommendations for establishing a statewide waste tire collection system.

(c) The director of the agency shall submit an interim report to the legislature and the governor by December 31, 1984, and a final report by April 1, 1985.

Sec. 10. [USE OF WASTE TIRES AS LONG-TERM FUEL SOURCE; TEST BURNS REPORT.]

The director of the agency, with the commissioner of the department of administration, shall identify existing public and private facilities most suitable for utilizing waste tires as a fuel source by October 1, 1984. The director of the agency shall solicit expressions of interest by private industry for utilizing waste tires as a fuel source. The selected facilities shall assist in conducting test burns, making measurements, and preparing a report describing the test results and the feasibility of using waste tires as a long-term fuel source for various types of facilities. The report shall identify the collection, transportation, and processing of waste tires needed to use the facilities. The director of the agency shall submit the report to the legislature and the governor by December 31, 1984.

Sec. 11. [APPROPRIATIONS.]

Subdivision 1. [AGENCY.] The sum of \$..... is appropriated from the general fund to the pollution control agency to be available until June 30, 1985:

(1) for establishing rules and administrative costs under sections 2, 4, and 9 ..... \$.....

(2) for planning and eliminating fire hazards of tire dumps ..... \$.....

(3) for the collection and incineration study under section 9 ..... \$ .....

(4) for the use of waste tires as a long-term fuel source, test burns, and report under section 10 ..... \$ .....

The complement of the agency is increased by . . . positions.

Subd. 2. [COMMISSIONER.] The sum of \$ ..... is appropriated from the general fund to the commissioner of energy and economic development to be available until June 30, 1985:

(1) for administrative costs and establishing rules under section 7 ..... \$ .....

(2) for grants and loans under sections 6, 7, and 8 ..... \$ .....

Sec. 12. [EFFECTIVE DATE.]

This act is effective the day following final enactment.”

Delete the title and insert:

“A bill for an act relating to natural resources; requiring tire collectors and tire processors to obtain a permit; declaring tire dumps a nuisance and providing for abatement; prohibiting land disposal of waste tires; requiring counties to include waste tire collection and processing in their plans; authorizing certain studies; appropriating money; amending Minnesota Statutes 1982, sections 116J.88, by adding a subdivision; 116J.90, by adding a subdivision; and Minnesota Statutes 1983 Supplement, section 116J.91, subdivision 4; proposing new law coded in Minnesota Statutes, chapter 115A.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1260, A bill for an act relating to real property; providing for the effect of payment of taxes on a claim of title by adverse possession; amending Minnesota Statutes 1982, section 541.02.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Judiciary.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1318, A bill for an act relating to health; directing the commissioner of health and the director of the pollution control agency to study the relationship between hazardous waste contamination of metropolitan water supplies and the incidence of cancer; appropriating money.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [FEASIBILITY STUDY.]

*The commissioner of health shall evaluate the feasibility of conducting epidemiologic studies to assess the health effect of hazardous waste contamination of metropolitan water supplies in St. Louis Park and New Brighton. The commissioner of health shall report to the legislative commission on waste management by January 1, 1986, on whether the studies are feasible. If the report includes a recommendation that a study be conducted in either or both communities, the report shall include a protocol indicating methods and costs of the study.*

Sec. 2. [APPROPRIATION.]

*The sum of \$93,000 is appropriated from the general fund to the commissioner of health for purposes of this act and are available until expended.*

Sec. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective the day following final enactment.”*

Delete the title and insert:

“A bill for an act relating to health; directing the commissioner of health to assess the feasibility of studies of the health effects of contamination of metropolitan water supplies; 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.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1865, A bill for an act relating to natural resources; making changes in certain forestry laws; amending Minnesota Statutes 1982, sections 88.065; 90.031, subdivision 3; 90.041, subdivision 2; 90.251, subdivision 1; and 90.301, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 88.065, is amended to read:

**88.065 [EQUIPMENT FURNISHED.]**

Subject to applicable provisions of state laws respecting purchases, the commissioner of natural resources may purchase for and furnish to any governmental subdivisions of the state authorized to engage in forest fire prevention or suppression materials or equipment therefor, and *may repair and renovate forest fire prevention and suppression materials and equipment for governmental subdivisions of the state. The commissioner may use (FOR THAT PURPOSE) any funds available for the purchase of forest fire prevention or suppression equipment or for its repair and renovation under federal grants, if permitted by the terms thereof, or under state appropriations, unless otherwise expressly provided. Except as otherwise authorized or permitted by federal or state laws or regulations, the governmental subdivision receiving any such materials or equipment or repair or renovation services shall reimburse the state for the cost (THEREOF). All moneys received in (SUCH) reimbursement shall be credited to the fund from which the purchase, repair, or renovation was made, and are hereby reappropriated annually and shall be available for the same purpose as the original appropriation.*

Sec. 2. Minnesota Statutes 1982, section 90.031, subdivision 3, is amended to read:

Subd. 3. The executive council may compromise and settle, with the approval of the attorney general, upon (SUCH) terms as it may deem just, any claim of the state for casual and involuntary trespass upon state lands or timber where the full (STUMPAGE) value of such timber or other materials so taken in trespass (WOULD NOT EXCEED \$1,000) *exceeds \$5,000*; provided, that no (SUCH) claim shall be settled (IN ANY CASE) for less than the full (STUMPAGE) value of all timber (SO) or other materials taken in casual trespass or the full amount of all actual damage or loss suffered by the state as a

result (THEREOF). The executive council may make settlement for not less than the full (STUMPAGE) value of any timber cut by lessees of state lands holding under section 92.50.

Sec. 3. Minnesota Statutes 1982, section 90.041, subdivision 2, is amended to read:

*Subd. 2. The commissioner may compromise and settle, with the approval of the attorney general, upon terms the commissioner deems just, any claim of the state for casual and involuntary trespass upon state lands or timber where the full value of the timber or other materials taken in trespass is \$5,000 or less; provided that no claim shall be settled for less than the full value of all timber or other materials taken in casual trespass or the full amount of all actual damage or loss suffered by the state as a result. The commissioner shall advise the executive council of any information acquired by him concerning any trespass on state lands, giving all details and names of witnesses and all compromises and settlements made under this subdivision.*

Sec. 4. [90.193] [EXTENSION OF TIMBER PERMITS.]

*The commissioner may, in the case of an exceptional circumstance beyond the control of the timber permit holder which makes it unreasonable, impractical, and not feasible to complete cutting and removal under the permit within the time allowed, grant an extension of one year in addition to those provided in sections 90.121, 90.151, and 90.191. A request for the extension must be received by the commissioner 15 days before the permit expires. The request must state the reason the extension is necessary and be signed by the permit holder. The value of the timber remaining to be cut will be recalculated using current stumpage rates. Any timber cut during the period of extension or remaining uncut at the expiration of the extension shall be billed for at the stumpage rates determined at the time of extension provided that in no event shall stumpage rates be less than those in effect at the time of the original sale. Interest will be charged as provided in section 90.151 for the period of extension.*

Sec. 5. Minnesota Statutes 1982, section 90.251, subdivision 1, is amended to read:

**Subdivision 1.** The commissioner shall institute (SUCH) scaling and check scaling procedures for state timber (AS WILL) sufficient to protect the interest of the state. This will include the assignment of a trained timber scaling specialist in the classified service to be responsible for check scaling and to develop scaling and check scaling techniques and standards. (SUCH) *The scaling and check scaling techniques and standards shall be approved by the commissioner. Check scaling shall also be accomplished by other forestry supervisors with (SUCH)*

reports forwarded to the timber scaling specialist. The timber scaling specialist shall report any scaling deficiencies or trespass to the commissioner. Any (SUCH) deficiencies requiring the attention of the attorney general or state executive council will be forwarded to these offices by the commissioner. All timber cut on lands in the charge of the commissioner, except as expressly provided otherwise by the commissioner shall be scaled. No timber may be scaled until (SUCH TIMBER) *it* is first marked with M I N or as otherwise properly identified as specified in the permit. All scaling shall be done upon the land from which the timber was cut; provided that the state appraiser, subject to the approval of the commissioner, may designate in writing to a permit holder another location where such timber may be scaled, counted or measured; all logs individually scaled shall be numbered consecutively, and the number of each entered upon the minutes of the scaler; (SUCH) allowance shall be made for defects (THEREIN AS WILL) to make (SUCH) *the* timber equivalent to merchantable timber. No state timber shall be removed from the land where it was cut until it has been so scaled or counted except as herein provided. Any person removing (ANY SUCH) timber from the land where it was cut, or from the place designated, before it has been so scaled or counted shall be guilty of (A GROSS MISDEMEANOR) *theft under section 609.52.*

Sec. 6. Minnesota Statutes 1982, section 90.301, is amended by adding a subdivision to read:

*Subd. 6. [TICKET FOR THEFT VIOLATIONS.] The commissioner may design and issue a ticket in the form, and having the effect, of a summons and complaint, for use in cases of theft of state timber or other state property, where the value of the property is within the limits established by section 609.52, subdivision 3, clause (5). The ticket shall provide for the name and address of the person charged with the violation, the offense charged, the time and place the person is to appear before a court, and any other necessary information.*

Sec. 7. [CERTAIN LAWS MADE RETROACTIVE.]

*Laws 1983, chapter 301, section 88, is retroactive to July 1, 1982. The commissioner of finance shall adjust the amount of receipts credited to the state forest suspense account during fiscal year 1983 and the total costs incurred by the state for forest management purposes during fiscal year 1983 to reflect this retroactivity.*

Sec. 8. Laws 1981, chapter 305, section 11, as amended by Laws 1982, chapter 511, section 35, and Laws 1983, chapter 111, section 1, is amended to read:

Sec. 11. [EXTENSION OF CERTAIN TIMBER PERMITS.]

The commissioner of natural resources may extend for an additional period of not to exceed one year any timber permit issued pursuant to Minnesota Statutes, chapter 90, which expires between January 1, (1982) 1984 and (DECEMBER 31, 1983) June 30, 1984. This extension shall be in addition to any extension previously granted pursuant to chapter 90 or pursuant to this section; shall be made without additional charge, and shall otherwise be subject to the requirements of chapter 90.

Sec. 9. [EFFECTIVE DATE.]

*Sections 1 to 6 are effective July 1, 1984. Sections 7 and 8 are effective the day following final enactment.*

Amend the title as follows:

Page 1, line 6, before the period insert “; Laws 1981, chapter 305, section 11, as amended; proposing new law coded in Minnesota Statutes, chapter 90”

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. 1945, A bill for an act relating to airports; metropolitan government; requiring reports to pollution control agency concerning noise abatement for the Minneapolis-St. Paul airport; amending Minnesota Statutes 1982, section 473.612.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 473.612, is amended to read:

473.612 [NOISE ABATEMENT PLAN.]

By December 31, 1981 the commission shall submit to the legislature a noise abatement plan for the Minneapolis-St. Paul International Airport, containing annual *programmatic goals, numerical goals, and objectives* until December 31, (1987) 1989, for reduction of aircraft noise within the metropolitan area. The plan shall *also* contain (DEFINITE PROPOSALS FOR

SPECIFIC ANNUAL REDUCTIONS), *but not be limited to, documentation of annual change in the maximum hourly noise levels, such as defined by Minnesota pollution control agency rules, (6 MCAR 4.2001 (15) AND (16)) Minnesota Rules, chapter 7010, based on the typically worst noise condition on an hourly basis received in (POPULATED) residential areas representing the noise-impacted region of the metropolitan area. The pollution control agency shall participate in the selection and review of the monitoring of such residential areas. By December 31, 1982, and each year thereafter until December 31, (1987) 1989, the commission shall submit to the legislature and the pollution control agency a draft report detailing the (REDUCTION OF AIRCRAFT NOISE IN MEETING THE ANNUAL OBJECTIVES) accomplishment of programmatic goals and objectives and the annual change in noise levels as outlined in the above noise abatement plan. By December 31, 1984, and each year thereafter until December 31, 1989, the commission shall submit to the legislature a report which includes any comments provided by the pollution control agency and the commission's response to the comments. In addition, the commission shall provide as part of the annual reports its best estimate, in the form of numerical goals, of noise abatement to be achieved by December 31, 1989, in residential areas representing the noise-impacted region of the metropolitan area. The goals shall be updated annually."*

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. 2041, A bill for an act relating to eminent domain; providing for relocation benefits for persons displaced by acquisitions when federal funding is not provided; amending Minnesota Statutes 1982, section 117.52.

Reported the same back with the following amendments:

Page 1, line 25, delete "*may be applied to displaced*" and insert a period

Page 2, delete lines 1 to 3

With the recommendation that when so amended the bill pass.

The report was adopted.



Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 282, A bill for an act relating to housing and re-development authorities; increasing the per diem compensation for attendance of commissioners at meetings; amending Minnesota Statutes 1982, section 462.441.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 881, A bill for an act relating to local and urban government; providing for the inventory, classification, and protection of aggregate deposits or resources within the state; proposing new law coded in Minnesota Statutes, chapter 84.

Reported the same back with the following amendments:

Page 1, line 11, delete "section" and insert "act"

Page 1, line 15, delete "section" and insert "act"

Page 1, line 22, after "473.121" delete the new language

Page 1, line 23, delete everything before the comma

Page 2, line 2, delete "within"

Page 2, line 3, delete everything before "areas" and insert "in"

Page 2, line 23, delete everything after "shall"

Page 2, delete line 24

Page 2, line 25, delete everything before the period and insert "*consider the protection of identified and important aggregate resources in their land use decisions*"

Page 2, delete lines 26 to 34 and insert:

"Sec. 2. [METROPOLITAN AREA APPLICATION.]

*Subdivision 1. [ADVISORY COMMITTEE.] An advisory committee on aggregate resources within the metropolitan area,*

as defined in section 473.121, is created. There shall be 15 members of the advisory committee who shall be appointed by the metropolitan council after consultation with appropriate metropolitan interest groups. At least two members of the advisory committee shall be members of municipalities that use aggregate resources, two members shall be from municipalities that produce aggregate resources, three members shall be from metropolitan county government, three members from the aggregate resource industry, the commissioner of natural resources or his or her designee, the commissioner of the department of transportation or his or her designee, and the chairman of the metropolitan council or his or her designee who shall be the chairman and shall provide administrative support to the advisory committee. Members of the advisory committee shall serve without per diem compensation.

*Subd. 2. [REPORT REQUIRED.] By December 31, 1985, the advisory committee shall submit a report to the legislature that:*

*(1) identifies whether currently available information on the quality, quantity, and distribution of the aggregate resource is adequate to allow reasoned decisions on the need to introduce aggregate resource protection into local comprehensive planning and land use controls;*

*(2) recommends a procedure for identifying the degree of protection desirable for the long term availability of aggregate resources; and*

*(3) recommends a method to protect aggregate resources for the long term."*

Amend the title as follows:

Page 1, line 4, after the semicolon insert "creating an advisory committee within the metropolitan area;"

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. 1048, A bill for an act relating to natural resources; strengthening certain laws regarding the transportation of wild animals; including conservation officer in the definition of peace officer for purpose of laws relating to fleeing a peace officer; amending Minnesota Statutes 1982, sections 65B.605, subdivision 2; 97.45, subdivisions 1, 3, 4, 6, 7, and 12, and by

adding a subdivision; and 609.487, subdivision 2; repealing Minnesota Statutes 1982, section 97.45, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1982, section 97.45, subdivision 1, is amended to read:

Subdivision 1. No person shall transport any wild animals taken, bought, sold or possessed in violation of chapters 97 to 102. *When transported, any wild animals, or any package, container, or receptacle in which they are contained, shall be tagged, sealed, or otherwise marked and identified as prescribed by law or commissioner's order. A licensed resident may transport during any one open season and the next following two days, or at any time thereafter under conditions which the commissioner may prescribe by order, one deer, one bear, and one moose which have been lawfully taken and possessed.*

Sec. 2. Minnesota Statutes 1982, section 97.45, subdivision 3, is amended to read:

Subd. 3. (ANY) *A licensed resident (, EXCEPT AGENTS OR EMPLOYEES OF A COMMON CARRIER WHILE ENGAGED IN THE PERFORMANCE OF THEIR DUTIES, MAY CARRY WITH HIM IN ANY VEHICLE OR AS BAGGAGE ON A COMMON CARRIER, TO ANY PLACE WITHIN THE STATE,) who accompanies the shipment may transport wild animals lawfully taken and possessed, including undressed game birds and dressed or undressed fish, (LAWFULLY IN HIS POSSESSION AND SUBJECT TO ALL OTHER APPLICABLE RESTRICTIONS, AND) to any place in the state in any vehicle or as baggage on a common carrier. A licensed resident who accompanies the shipment may transport the head or hide of a deer, bear, or moose, lawfully taken and possessed, to any place within or outside the state for the purpose of mounting or tanning. A common (CARRIERS) carrier may transport (SUCH) wild animals as baggage (WITHIN THE LIMITS PRESCRIBED) as provided in this subdivision when accompanied by the licensed resident shipper except an employee of the common carrier while engaged in the performance of his duties.*

Sec. 3. Minnesota Statutes 1982, section 97.45, subdivision 4, is amended to read:

Subd. 4. (ANY) *A licensed resident who does not accompany the shipment may transport by common carrier to any point in the (COUNTY OF HIS RESIDENCE) state, consigned to himself only, the following wild animals lawfully taken and possessed: (a) not more than three separate shipments of undressed*

birds, (EACH) *each* of which *shipment* may contain (ALL) *the number* of (THE) birds which could lawfully be taken within the state on any single day, but not (TO CONTAIN) more than a single day's limit of any species (. SUCH RESIDENT MAY TRANSPORT DURING ANY ONE OPEN SEASON AND THE NEXT FOLLOWING TWO DAYS, OR AT ANY TIME THEREAFTER UNDER CONDITIONS WHICH THE COMMISSIONER MAY PRESCRIBE, ONE DEER AND ONE MOOSE, WHICH HAS BEEN LAWFULLY TAKEN AND POSSESSED, AND) ; (b) *big game animals as prescribed in subdivision 1. The licensed resident may transport the head or hide of (SUCH) the deer, bear, or moose (FOR MOUNTING OR TANNING PURPOSES) to a (POINT) place within or (WITHOUT) outside the state (; BUT IF SUCH DEER OR MOOSE IS NOT TRANSPORTED BY COMMON CARRIER, THE LICENSEE MUST ACCOMPANY SUCH DEER OR MOOSE) for the purpose of mounting or tanning; and (c) dressed or undressed fish.*

Sec. 4. Minnesota Statutes 1982, section 97.45, is amended by adding a subdivision to read:

*Subd. 4a. A big game animal which has been registered by the licensee in accordance with requirements established by the commissioner may be transported by the most direct route from one location to another by a person other than the licensee provided there is a tag attached to the animal marked in ink containing the address, license number, and signature of the licensee, and the locations from which and to which the animal is being transported.*

Sec. 5. Minnesota Statutes 1982, section 97.45, subdivision 6, is amended to read:

*Subd. 6. (1) A licensed nonresident who does not accompany the shipment may transport by common carrier to a (POINT) place within or (WITHOUT) outside this state (IN ANY ONE SEASON) one shipment (CONTAINING) of fish lawfully taken and possessed in any one licensing year upon obtaining a shipping permit from the commissioner or his agent. The shipment may contain: (a) not more than 25 pounds of undressed fish (OR) ; (b) one undressed fish of any size (LAWFULLY TAKEN AND POSSESSED BY HIM IN THIS STATE, OR CONTAINING) ; or (c) not more than 15 pounds of filleted or dressed game fish (SO TAKEN AND POSSESSED, IF PACKAGED AS HEREINAFTER PROVIDED. A SHIPPING COUPON DESIGNED FOR THE PURPOSES OF THIS SUBDIVISION MAY BE ISSUED FOR EACH INDIVIDUAL NONRESIDENT FISHING LICENSE, AND TWO COUPONS FOR A COMBINATION NONRESIDENT FISHING LICENSE, SUCH COUPONS). A shipping permit shall be issued upon request and without payment of a fee, and (SUCH COUPONS) shall be cancelled as prescribed by the commissioner by the agent of the carrier to whom the shipment is first*

delivered. *In the case of a nonresident combination angling license, each licensee shall be eligible for one shipping permit for each licensing year.*

(2) (SUCH) A licensed nonresident (MAY CARRY WITH HIM) who accompanies the shipment may transport dressed or undressed fish lawfully taken or possessed in any vehicle or on a common carrier to any (POINT) place within or (WITHOUT) outside the state (UNDRESSED FISH LAWFULLY TAKEN BY HIM, NOT EXCEEDING THE LIMIT, WHICH HE IS AUTHORIZED TO POSSESS WITHIN THE STATE, PROVIDED THAT BULLHEADS MAY BE SO TRANSPORTED EITHER DRESSED OR UNDRESSED, OR MAY SO CARRY WITH HIM FILLETED OR DRESSED FISH LAWFULLY TAKEN BY HIM, NOT EXCEEDING THE POSSESSION LIMIT NOR CONTAINING MORE THAN 15 POUNDS, IF PACKAGED AS HEREINAFTER PROVIDED).

(3) (FOR THE PURPOSES OF THE FOREGOING PROVISIONS OF THIS SUBDIVISION UNDRESSED FISH OF ANY SPECIES MAY HAVE THE HEADS REMOVED.)

((4)) A licensed nonresident who does not accompany the shipment may transport filleted or dressed game fish (MAY BE TRANSPORTED) by common carrier only if (THE) shipped in a container which bears the name and license number of the shipper (,); the name of the person preparing the container for shipment (, HIS) and the license number of that person as issued under section 98.46, subdivision 5 (,); and the number (AND), species and net weight of the fish (CONTAINED, AND THE NET WEIGHT THEREOF) in the container.

((5)) (4) Each licensee authorized to prepare dressed game fish for shipment shall maintain a permanent record of the name, address and license number of each licensed fisherman making (SUCH) a shipment, the name and address of the consignee, the number (AND), species and net weight of fish contained in the shipment (, THE NET WEIGHT THEREOF, AND SUCH). The records shall be available (TO) for inspection by (STATE) conservation officers at all times.

((6)) (5) Notwithstanding any law to the contrary, a nonresident under the age of 16 may take fish by angling without procuring a license, if (THEIR) the nonresident's parent or guardian has obtained (A NONRESIDENT) the appropriate fishing license. Fish so taken shall be included in the daily and possession limit of the parent or legal guardian.

Sec. 6. Minnesota Statutes 1982, section 97.45, subdivision 7, is amended to read:

Subd. 7. (ANY) (a) A licensed nonresident (LICENSEE) who accompanies the shipment may transport (BY) the follow-

*ing wild animals, other than fish, lawfully taken and possessed in any (MEANS, CONSIGNED TO HIMSELF ONLY,) vehicle or as baggage on a common carrier to any (POINT) place within or (WITHOUT) outside this state (, NOT TO EXCEED): (1) the number of undressed game birds which he is entitled to possess at any one time (, AND); (2) one deer (, LAWFULLY TAKEN AND POSSESSED WITHIN THIS STATE, AND PROVIDED THAT THE NONRESIDENT LICENSEE SHALL ACCOMPANY SUCH GAME BIRDS OR DEER EXCEPT WHEN THEY ARE BEING TRANSPORTED BY COMMON CARRIER) and one bear; and (3) other wild animals lawfully taken and possessed in Minnesota. A common (CARRIERS ARE HEREBY PERMITTED TO) carrier may carry (SUCH) wild animals as baggage as provided in this clause.*

*(b) A licensed nonresident who does not accompany the shipment may transport the wild animals, other than fish, as described in clause (a) by common carrier to any place within or outside the state when the shipment is consigned to the licensed nonresident, provided that a shipping permit must be obtained from the commissioner or his agent for the transportation of any undressed game birds. The permit shall be issued upon request and without payment of a fee, and canceled as prescribed by the commissioner by the agent of the carrier to whom the shipment is first delivered. Deer and bear may be transported only during the time provided in subdivision 4, clause (b).*

Sec. 7. Minnesota Statutes 1982, section 97.45, subdivision 9, is amended to read:

Subd. 9. Undressed game birds, lawfully taken and possessed in adjacent states, may be brought into the state, and may then be shipped by common carrier to any point within the state by residents of this state, or by nonresidents to any point without the state, provided each such shipment shall be tagged or sealed by a state conservation officer in the manner prescribed by the commissioner. Licensed residents or nonresidents may ship game birds or one fish lawfully in their possession to any point within or without the state to any person upon procuring a permit so to do from the commissioner or his authorized agent under such regulations as the commissioner may prescribe.

Sec. 8. Minnesota Statutes 1982, section 97.45, subdivision 12, is amended to read:

Subd. 12. All (SHIPMENTS OF) protected wild animals transported by common carrier, (OR) including shipments carried as baggage, shall have attached a statement signed by the licensee showing his name, address and license number and the number and species of wild animals contained in the shipment, including fish. (IF FISH ARE CONTAINED, THE STATEMENT ALSO SHALL SHOW THE NUMBER OF POUNDS

THEREOF AND) The shipment shall have attached to it any tag, shipping coupon or permit required by law or commissioner's order.

Sec. 9. Minnesota Statutes 1982, section 97.48, subdivision 1, is amended to read:

Subdivision 1. The commissioner may extend protection to any species of wild animal in addition to that accorded by chapters 97 to 102, by further limiting or closing open seasons, areas of the state, or by reducing limits with respect to any or all areas of the state, whenever he finds such action necessary to guard against undue depletion or extinction, or to promote the propagation and reproduction of such animals, provided he shall not restrict or prohibit the taking of game fish or any species thereof by angling or spearing through the ice so as to close at any given time not more than 50 percent of the named lakes or streams of any county (, NOR SHALL HE LIMIT OR CLOSE ANY REGULAR STATUTORY SEASON FOR THE TAKING OF ANY SPECIES OF GAME FISH BY SPEARING THROUGH THE ICE IN ANY DESIGNATED WATERS UNLESS IN THE SAME ORDER HE LIMITS OR CLOSES THE NEXT FOLLOWING REGULAR STATUTORY SEASON FOR THE TAKING OF SAID SPECIES BY ANGLING IN THE SAME WATERS IN THE SAME PROPORTION, NOR SHALL HE REDUCE THE LIMITS FOR THE TAKING OR POSSESSION OF SUCH SPECIES BY SPEARING THROUGH THE ICE IN ANY DESIGNATED WATERS DURING ANY REGULAR STATUTORY SEASON THEREFOR BELOW THE LIMITS PRESCRIBED FOR THE TAKING OR POSSESSION OF SAID SPECIES BY ANGLING IN THE SAME WATERS DURING THE NEXT FOLLOWING REGULAR STATUTORY SEASON THEREFOR).

Sec. 10. Minnesota Statutes 1982, section 97.4842, is amended to read:

97.4842 [TROUT AND SALMON STAMP.]

Subdivision 1. [STAMP REQUIRED.] No person over the age of (18) 16 and under the age of 65 years who is otherwise required to possess a Minnesota fishing license shall angle in any stream designated by the commissioner as a trout stream, in any lake designated by the commissioner as a trout lake, or in Lake Superior, without first purchasing a stamp and having the stamp in his possession while angling (FOR TROUT) in any designated trout stream, designated trout lake, or Lake Superior. Each stamp shall be validated by the signature of the licensee written across its face. The commissioner shall determine the form of the stamp and shall furnish and distribute stamps to county auditors for sale by them and their authorized subagents as prescribed by order of the commissioner. The

commissioner shall encourage the purchase of stamps by any persons who are interested in the improvement of trout *and salmon streams and lakes*.

Subd. 2. [FEE.] A stamp shall be issued to each fishing license applicant or other person interested in improvement of trout *and salmon streams and lakes* upon the payment of a fee of \$3. Stamps shall be issued annually and shall be valid from March 1 through the last day of the following February.

Subd. 3. [USE OF REVENUE.] The commissioner shall approve projects for the following purposes:

(a) Development, restoration, maintenance or preservation of trout streams *and lakes*; (AND)

(b) *Rearing and stocking of trout and salmon in trout streams and lakes and Lake Superior; and*

(c) Necessary related administrative costs in an amount not to exceed ten percent of the annual deposits into the game and fish fund attributable to the sale of stamps.

Sec. 11. Minnesota Statutes 1983 Supplement, section 97.86, subdivision 1, is amended to read:

Subdivision 1. [LICENSE SURCHARGE.] A surcharge of \$2.50 shall be added to the annual license fee for each license issued pursuant to section 98.46, subdivision 2, clauses (4) and (5), subdivision 2a, subdivision 5, (CLAUSES (1), (2), AND clause (3), and subdivision 15. The proceeds of the surcharge shall be credited to the game and fish fund.

The commissioner may spend the proceeds of the surcharge for the following purposes:

(a) Rehabilitation and improvement of marginal fish producing waters administered on a cost sharing basis under agreements between the commissioner and other parties interested in sport fishing.

(b) Expansion of fishing programs including, but not limited to, aeration, stocking of marginal fishing waters in urban areas, shore fishing areas, and fishing piers. In the expenditure of funds pursuant to this clause, preference shall be given to local units of government and other parties willing and able to share costs.

(c) Upgrading of fish propagation capabilities in order to improve the efficiency of fish production, expansion of walleyed pike production from waters subject to winter kill for stocking



in more suitable waters, introduction of new species where deemed biologically appropriate by the commissioner, and purchase of fish from private hatcheries for stocking purposes.

(d) Financing the preservation and improvement of fish habitat. First priority shall be given to expansion of habitat improvement programs approved by the commissioner and implemented in cooperation with other interested parties.

(e) Increasing enforcement through use of covert operations, workteams, and added surveillance, communication, and navigational equipment.

(f) Purchase by the commissioner of the walleyed pike quota of commercial fishermen as prescribed in section 102.26, subdivision 3d.

(g) Not more than ten percent of the money available under this subdivision may be used for administrative or permanent personnel costs.

**Sec. 12. [98.457] [LAKE SUPERIOR FISHING GUIDE LICENSE.]**

*No person shall for compensation engage in the business or occupation of operating charter boats and guiding anglers in seeking to take fish on Lake Superior without an annual license from the commissioner. The commissioner shall promulgate rules governing qualification for and the issuance of licenses. The annual fee for a Lake Superior fishing guide license shall be \$25 for a resident licensee and \$100 for a nonresident, except that if the state of residence of a nonresident charges a greater fee for a Minnesota resident for an identical license, the nonresident fee shall be equal to that greater fee.*

Sec. 13. Minnesota Statutes 1983 Supplement, section 98.46, subdivision 5, is amended to read:

Subd. 5. Fees for the following licenses, to be issued to residents only, shall be:

(1) To spear fish from a dark house, \$7.50;

(2) For any fish house or dark house used during the winter fishing season, \$5 for each fish house or dark house not rented or offered for hire, and \$15 for each fish house or dark house rented or offered for hire. Each fish house or dark house shall have attached to the outside a metal tag at least two inches in diameter with a 3/16 inch hole in the center, which will be issued with a license. Each metal tag shall be stamped with a number to correspond with the fish house or dark house license and also

shall be stamped with the year of issuance. The metal tag shall be attached to the fish house or dark house as designated by commissioner's order;

(3) To net whitefish, tullibees or herring from inland lakes or international waters, for domestic use only, for each net, \$3;

(4) To conduct a taxidermist business, for three consecutive years for residents 18 years of age and older, \$40; for residents under the age of 18, \$25;

(5) To maintain fur and game farms, including deer, \$15;

(6) To take, transport, purchase and possess for sale unprocessed turtles and tortoises within the state, \$50;

(7) (TO PREPARE DRESSED GAME FISH SHIPMENTS FOR NONRESIDENTS AS PROVIDED BY SECTION 97.45, SUBDIVISION 6, AS AMENDED, \$13;)

((8)) Minnow dealer, \$70 plus \$10 for each vehicle;

((9)) (8) Minnow dealer's helper, \$5 for each helper. Minnow dealer's helpers' licenses shall be issued to the minnow dealer and are transferable by the dealer at will to his own helpers;

((10)) (9) Exporting minnow dealer, \$250, plus \$10 for each vehicle.

Each vehicle license shall cover a specified vehicle. The serial number, license number, make, and model shall be specified on the license which must be conspicuously posted in the vehicle licensed.

Sec. 14. [REPEALER.]

*Minnesota Statutes 1982, section 97.45, subdivision 5, is repealed.*

Sec. 15. [EFFECTIVE DATE.]

*This act is effective the day following final enactment, except that section 10 is effective March 1, 1985."*

Delete the title and insert:

"A bill for an act relating to natural resources; strengthening certain laws regarding the transportation of wild animals; amending Minnesota Statutes, 1982, sections 97.45, subdivisions 1, 3, 4, 6, 7, 9, and 12, and by adding a subdivision; 97.48, subdivision 1; 97.4842; and Minnesota Statutes 1983 Supplement, sections 97.86, subdivision 1; and 98.46, subdivision 5; proposing new law coded in Minnesota Statutes, chapter 98; repealing Minnesota Statutes 1982, section 97.45, subdivision 5."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 2145, A bill for an act relating to Olmsted County; allowing contracts for solid waste management property, facilities, and services to be let without advertisement for bids.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 2317, 1865, 1945 and 2041 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 282, 881, 1048 and 2145 were read for the second time.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 1485, A bill for an act relating to towns; providing for the election and term of office for the town clerk and treasurer; amending Minnesota Statutes 1982, section 367.03, subdivision 1.

H. F. No. 1491, A bill for an act relating to highway traffic regulations; authorizing an increase in driver improvement clinic fees; amending Minnesota Statutes 1982, section 169.972, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 1486, A bill for an act relating to courts; providing for the appeal of various matters to the court of appeals; amending Minnesota Statutes 1983 Supplement, sections 299D.03, subdivision 11; 412.861, subdivision 3; 625.09; 625.11; 625.14; and 629.62.

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. 559, A bill for an act relating to courts; providing for interest rates on judgments; amending Minnesota Statutes 1982, section 549.09, subdivision 1.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is 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. 1405, A bill for an act relating to state monuments; adding the "Monument to the Living" in Ramsey County to the list of state monuments; amending Minnesota Statutes 1982, section 138.585, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Blatz moved that the House refuse to concur in the Senate amendments to H. F. No. 1405; 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 Senate File, herewith transmitted:

S. F. No. 1559.

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. 1913.

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. 1365.

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. 1435, 1495 and 1784.

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. 1398, 1526, 1654, 1659, 1768 and 1823.

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. 1520 and 1759.

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. 1832.

PATRICK E. FLAHAVER, Secretary of the Senate

#### FIRST READING OF SENATE BILLS

S. F. No. 1559, A bill for an act relating to public utilities; permitting the public utilities commission to order reimbursement payments to intervenors in telephone rate proceedings; amending Minnesota Statutes 1982, section 237.075, by adding a subdivision.

The bill was read for the first time.

Otis moved that S. F. No. 1559 and H. F. No. 1499, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1913, A bill for an act relating to state departments; providing statutory changes requested by commissioner of administration required by reorganization orders; amending Minnesota Statutes 1982, sections 60A.15, subdivisions 1, 2, 8, 9, 10, and by adding a subdivision; 69.021, subdivision 2; 69.031, subdivision 6; 116C.03, subdivision 4; 116J.64, subdivisions 5 and 7; and 161.20, subdivision 4; Minnesota Statutes 1983 Supplement, sections 60A.15, subdivision 12; 116C.03, subdivision 2; 116J.01, subdivision 3; 116J.42, subdivisions 4 and 9; 161.465; and 299A.04; Laws 1983, chapter 289, section 115, subdivision 2; proposing new law coded in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1982, section 116C.-04, subdivisions 5 and 6.

The bill was read for the first time.

Coleman moved that S. F. No. 1913 and H. F. No. 2062, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1365, A bill for an act relating to crimes and criminals; specifying the crime of theft of telecommunications service; amending Minnesota Statutes 1982, section 609.52, subdivision 2.

The bill was read for the first time.

Kelly moved that S. F. No. 1365 and H. F. No. 1473, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1435, A bill for an act relating to motor vehicles; authorizing operation of farm truck with class C drivers' license by employee operating truck during harvest; amending Minnesota Statutes 1982, section 171.02, subdivision 2.

The bill was read for the first time.

Sparby moved that S. F. No. 1435 and H. F. No. 1449, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1495, A bill for an act relating to labor; providing for occupational safety and health; regulating infectious agents; amending Minnesota Statutes 1983 Supplement, section 182.653, subdivisions 4b, 4c, and 4f; and 182.654, subdivision 11.

The bill was read for the first time.

Clark, K., moved that S. F. No. 1495 and H. F. No. 1527, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1784, A bill for an act relating to traffic regulations; defining term; setting speed limit for alleyway; amending Minnesota Statutes 1982, section 169.01, by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 169.

The bill was read for the first time and referred to the Committee on Transportation.

S. F. No. 1398, A bill for an act relating to arrests; providing for the arrest of a person charged with a misdemeanor on Sundays or between 10:00 p.m. and 8:00 a.m. on any other day if the person is found on a public highway or street, or in a public place; amending Minnesota Statutes 1983 Supplement, section 629.31.

The bill was read for the first time.

Olsen moved that S. F. No. 1398 and H. F. No. 1556, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1526, A bill for an act relating to energy; directing the legislative commission on energy to prepare a policy statement on the expenditure of federal money for energy programs; requiring review of state plans to spend federal energy money; amending Minnesota Statutes 1982, section 3.351, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1654, A bill for an act relating to the city of Roseville; authorizing additional on-sale intoxicating liquor licenses.

The bill was read for the first time and referred to the Committee on Regulated Industries.

S. F. No. 1659, A bill for an act relating to the city of Duluth; authorizing the Duluth city council to permit the on-sale of liquor at the St. Louis County Heritage and Arts Center by on-sale licensees in the city of Duluth.

The bill was read for the first time and referred to the Committee on Regulated Industries.

S. F. No. 1768, A bill for an act relating to public utilities; amending the definition of public utility; amending Minnesota Statutes 1983 Supplement, section 216B.02, subdivision 4.

The bill was read for the first time.

Kelly moved that S. F. No. 1768 and H. F. No. 2258, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1823, A bill for an act relating to county humane societies; allowing for an increase in the appropriation a county may give to a county humane society in any year; amending Minnesota Statutes 1982, section 343.11.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 1520, A bill for an act relating to motor vehicles; defining terms; increasing certain gross vehicle weight tax to comply with international registration plan; authorizing repair and servicing permit for commercial zone trucks; providing time limitation for applying for quarterly registration of farm trucks;



increasing certain fees; clarifying display and use of drive-away, in-transit plates; clarifying requirement to submit forms to registrar of motor vehicles; prohibiting transfer of certain plates; providing for transfer of amateur radio and citizen band plates; prescribing uniform fee for issuance of duplicate plates except for exempt vehicles; eliminating certain provisions relating to motor vehicle brokers; increasing minimum tax requirements for qualification for installment payments and prescribing a fee; increasing penalty fees for late installment payments; clarifying certain duties of deputy registrars relating to reports and deposits of taxes and fees; requiring payment of one month's registration tax before issuance of certificate of title; allowing certain vehicles to operate with an extended bug deflector; requiring protective headgear to comply with standards established by the commissioner of public safety; amending Minnesota Statutes 1982, sections 168.011, subdivisions 9 and 13; 168.013, subdivision 16; 168.018; 168.041, subdivision 6; 168.053, subdivision 1; 168.10, subdivisions 1a, 1b, 1c, and 1d; 168.101, subdivision 2; 168.12, subdivisions 1 and 2b; 168.27, subdivisions 2 and 3; 168.29; 168.31, subdivision 4; 168.33, subdivision 2; 168A.08; 169.01, subdivisions 10, 11, and 50; and 169.743; Minnesota Statutes 1983 Supplement, sections 168.013, subdivision 1e; 168.12, subdivision 2; 169.73; and 169.974, subdivisions 2 and 6; repealing Minnesota Statutes 1982, sections 168.27, subdivision 5; 169.672 and 169.755.

The bill was read for the first time.

Kalis moved that S. F. No. 1520 and H. F. No. 1845, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1759, A bill for an act relating to motor vehicles; changing display period for license plates on certain motor vehicles; changing period of time when registration tax is payable for certain motor vehicles; abolishing the penalty for late or delayed registration or payment of the registration tax; amending Minnesota Statutes 1982, sections 168.09, subdivisions 2 and 3; 168.10, subdivision 1; and 168.31, subdivision 1; repealing Minnesota Statutes 1982, section 168.31, subdivision 3.

The bill was read for the first time and referred to the Committee on Transportation.

S. F. No. 1832, A bill for an act relating to corrections; clarifying the effect of punitive segregation confinement on the scheduled release date of certain inmates; amending Minnesota Statutes 1982, section 244.04, subdivision 2; and Minnesota Statutes 1983 Supplement, sections 244.04, subdivision 1; and 244.05, subdivision 1.

The bill was read for the first time.

Clark, J., moved that S. F. No. 1832 and H. F. No. 1772, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

### CONSENT CALENDAR

S. F. No. 2148, A bill for an act relating to local government; permitting a land transfer between Ramsey County and the city of Shoreview.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Knuth	Piepho	Sviggum
Anderson, G.	Findlay	Kostohryz	Piper	Swanson
Anderson, R.	Fjoslien	Kvam	Price	Thiede
Battaglia	Forsythe	Levi	Quist	Tomlinson
Beard	Frerichs	Long	Redalen	Tunheim
Begich	Graba	Ludeman	Reif	Uphus
Bennett	Greenfield	Mann	Rice	Valan
Blatz	Gruenes	Marsh	Riveness	Valento
Boo	Gustafson	McDonald	Rodosovich	Vanasek
Brandl	Gutknecht	McEachern	Rodriguez, F.	Vellenga
Brinkman	Haukoos	Metzen	Rose	Voss
Burger	Heap	Minne	St. Onge	Waltman
Carlson, L.	Heinitz	Munger	Sarna	Welch
Clark, J.	Himle	Murphy	Schafer	Welker
Clark, K.	Hoberg	Nelson, K.	Schreiber	Welle
Clawson	Hoffman	O'Connor	Seaberg	Wenzel
Cohen	Hokr	Ogren	Segal	Wigley
Coleman	Jacobs	Olsen	Shea	Wynia
Dempsey	Jennings	Omann	Sherman	Zaffke
DenOuden	Jensen	Onnen	Simoncau	Speaker Sieben
Dimler	Johnson	Osthoff	Skoglund	
Elioff	Kalis	Otis	Solberg	
Ellingson	Kelly	Pauly	Sparby	
Erickson	Knickerbocker	Peterson	Staten	

The bill was passed and its title agreed to.

H. F. No. 1809 was reported to the House.

There being no objection H. F. No. 1809 was temporarily laid over on the Consent Calendar.

H. F. No. 2301 was reported to the House.

Osthoff moved that H. F. No. 2301 be continued on the Consent Calendar for one day. The motion prevailed.

There being no objection the bills on the Technical Consent Calendar were now considered.

H. F. No. 2148 was reported to the House.

There being no objection H. F. No. 2148 was continued on the Consent Calendar for one day.

S. F. No. 868, A bill for an act relating to natural resources; designating the morel as the official state mushroom; proposing new law coded in Minnesota Statutes, chapter 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 101 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Erickson	Kostohryz	Piper	Swanson
Battaglia	Evans	Krueger	Price	Thiede
Beard	Findlay	Kvam	Quist	Tunheim
Begich	Fjoslien	Larsen	Redalen	Uphus
Bennett	Forsythe	Levi	Reif	Valento
Bergstrom	Graba	Mann	Riveness	Vanasek
Bishop	Greenfield	Marsh	Rodosovich	Vellenga
Blatz	Gruenes	McDonald	Rodriguez, F.	Voss
Boo	Gutknecht	Metzen	Rose	Waltman
Brinkman	Haukoos	Minne	St. Onge	Welch
Burger	Heap	Munger	Schafer	Welker
Carlson, D.	Heinitz	Murphy	Seaberg	Welle
Carlson, L.	Himle	Nelson, K.	Segal	Wenzel
Clark, J.	Hoberg	Ogren	Shaver	Wigley
Clark, K.	Hoffman	Olsen	Shea	Wynia
Cohen	Jacobs	Omamn	Sherman	Zaffke
Coleman	Jennings	Onnen	Simoneau	Speaker Sieben
Dempsey	Jensen	Otis	Skoglund	
Dimler	Johnson	Pauly	Solberg	
Elioff	Kelly	Peterson	Sparby	
Ellingson	Knuth	Piepho	Sviggum	

Those who voted in the negative were:

Brandl	McEachern	O'Connor	Sarna	Tomlinson
Knickerbocker				

The bill was passed and its title agreed to.

H. F. No. 1809 which was temporarily laid over earlier today was again reported to the House.

H. F. No. 1809, A bill for an act relating to crimes; authorizing aggregation of thefts in medicaid fraud cases; extending the statute of limitations in medicaid fraud cases; amending Minne-

sota Statutes 1982, section 628.26; Minnesota Statutes 1983 Supplement, section 609.52, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Peterson	Sparby
Anderson, G.	Evans	Krueger	Piepho	Staten
Anderson, R.	Findlay	Kvam	Piper	Svigum
Battaglia	Fjoslien	Larsen	Price	Swanson
Beard	Forsythe	Levi	Quist	Thiede
Begich	Frerichs	Long	Redalen	Tomlinson
Bennett	Graba	Ludeman	Reif	Tunheim
Bergstrom	Greenfield	Mann	Rice	Uphus
Bishop	Gruenes	Marsh	Riveness	Valan
Blatz	Gustafson	McDonald	Rodosovich	Valento
Boo	Gutknecht	McEachern	Rodriguez, C.	Vanasek
Brandl	Haukoos	McKasy	Rodriguez, F.	Vellenga
Brinkman	Heinitz	Metzen	Rose	Voss
Burger	Himle	Minne	St. Onge	Waltman
Carlson, D.	Hoberg	Munger	Sarna	Welch
Carlson, L.	Hoffman	Murphy	Schafer	Welker
Clark, J.	Hokr	Nelson, D.	Scheid	Welle
Clark, K.	Jacobs	Nelson, K.	Schreiber	Wenzel
Clawson	Jennings	Neuenschwander	Seaberg	Wigley
Cohen	Jensen	Ogren	Segal	Wynia
Coleman	Johnson	Olsen	Shaver	Zaffke
Dempsey	Kahn	Omann	Shea	Speaker Sieben
DenOuden	Kalis	Onnen	Sherman	
Dimler	Kelly	Osthoff	Simoneau	
Elioff	Knickerbocker	Otis	Skoglund	
Ellingson	Knuth	Pauly	Solberg	

The bill was passed and its title agreed to.

#### SUSPENSION OF RULES

Jennings 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.

Jennings, Sieben and Eken introduced:

House Resolution No. 29, A house resolution commending the Honorable Dwaine Hoberg for his service in the House of Representatives to the people of Minnesota.

#### HOUSE RESOLUTION NO. 29

A house resolution commending the Honorable Dwaine Hoberg for his service in the House of Representatives to the people of Minnesota.

*Whereas*, the Honorable Dwaine Hoberg has been a state representative since 1978 and is a productive contributor to the House of Representatives; and

*Whereas*, Dwaine has been a source of inspiration to his fellow legislators and to the people of Minnesota; and

*Whereas*, Dwaine has announced that he will not run for reelection to the House and he will be greatly missed during the coming sessions of the Legislature; and

*Whereas*, Dwaine is the former Mayor of Moorhead, an avid skier, a former Navy Commander, a gourmet cook, a talented painter, a university professor, a navigator, a politician, a statesman, a husband, and a father, and is appreciated and admired for each of these qualities; *Now, Therefore*,

*Be it resolved* by the House of Representatives of the State of Minnesota that today, April 11, 1984, the members of the House and staff wish to express thanks and gratitude for his dedicated services and contributions to the Minnesota Legislature and to the people of the State of Minnesota.

*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 present it to Representative Hoberg.

Jennings moved that House Resolution No. 29 be now adopted. The motion prevailed and House Resolution No. 29 was adopted.

## CALENDAR

H. F. No. 1421, A bill for an act relating to labor; authorizing certain payroll deductions; amending Minnesota Statutes 1982, section 181.06, 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 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Blatz	Clark, K.	Ellingson	Gruenes
Anderson, C.	Boo	Clawson	Erickson	Gustafson
Anderson, R.	Brandl	Cohen	Evans	Gutknecht
Battaglia	Brinkman	Coleman	Fjoslien	Haukoos
Beard	Burger	Dempsey	Forsythe	Heap
Begich	Carlson, D.	DenOuden	Frerichs	Heinitz
Bennett	Carlson, L.	Dimler	Graba	Himle
Bergstrom	Clark, J.	Elioff	Greenfield	Hoberg

Hoffman	McDonald	Otis	Sarna	Tomlinson
Hokr	McEachern	Pauly	Schafer	Tunheim
Jacobs	McKasy	Peterson	Scheid	Valan
Jennings	Metzen	Piepho	Schreiber	Valento
Jensen	Minne	Piper	Seaberg	Vellenga
Johnson	Munger	Price	Segal	Voss
Kahn	Murphy	Quinn	Shaver	Waltman
Kalis	Nelson, D.	Quist	Shea	Welch
Kelly	Nelson, K.	Redalen	Sherman	Welker
Knuth	Neuenschwander	Reif	Simoneau	Welle
Kostohryz	Norton	Rice	Skoglund	Wenzel
Kvam	O'Connor	Riveness	Solberg	Wigley
Larsen	Ogren	Rodosovich	Sparby	Wynia
Long	Olson	Rodriguez, C.	Staten	Zaffke
Ludeman	Omann	Rodriguez, F.	Sviggum	Speaker Sieben
Mann	Onnen	Rose	Swanson	
Marsh	Osthoff	St. Onge	Thiede	

The bill was passed and its title agreed to.

Hoberg was excused for the remainder of today's session.

S. F. No. 1810, A bill for an act relating to insurance; homeowner's; providing certain notice requirements upon policy non-renewal, reduction in the limits of coverage, or elimination of coverage; authorizing the commissioner to adopt rules; amending Minnesota Statutes 1982, section 65A.29, by adding subdivisions; repealing Minnesota Statutes 1982, section 65A.29, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 11 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Dempsey	Johnson	Nelson, K.	Rodriguez, C.
Anderson, G.	DenOuden	Kahn	Neuenschwander	Rodriguez, F.
Anderson, R.	Elioff	Kalis	Norton	Rose
Battaglia	Ellingson	Kelly	O'Connor	St. Onge
Beard	Erickson	Knickerbocker	Ogren	Sarna
Begich	Evans	Knuth	Olson	Scheid
Bennett	Findlay	Kostohryz	Onnen	Schreiber
Bergstrom	Forsythe	Krueger	Osthoff	Seaberg
Bishop	Graba	Kvam	Otis	Segal
Blatz	Greenfield	Larsen	Pauly	Shea
Boo	Cruenes	Levi	Peterson	Sherman
Brandt	Gustafson	Long	Piepho	Simoncau
Brinkman	Gutknecht	Mann	Piper	Skoglund
Burger	Haukoos	Marsh	Price	Solberg
Carlson, D.	Heap	McEachern	Quinn	Sparby
Carlson, L.	Himle	McKasy	Quist	Staten
Clark, J.	Hoffman	Metzen	Redalen	Sviggum
Clark, K.	Hokr	Miane	Reif	Swanson
Clawson	Jacobs	Munger	Rice	Tomlinson
Cohen	Jennings	Murphy	Riveness	Tunheim
Coleman	Jensen	Nelson, D.	Rodosovich	Valan

Valento	Voss	Welch	Wenzel	Wynia
Vanasek	Waltman	Welle	Wigley	Speaker Sieben
Vellenga				

Those who voted in the negative were:

Dimler	Heinitz	McDonald	Schafer	Welker
Fjoslien	Ludeman	Omann	Thiede	Zaffke
Frerichs				

The bill was passed and its title agreed to.

H. F. No. 1606, A bill for an act relating to elections; prohibiting certain inquiries of voters at or near the polls; amending Minnesota Statutes 1982, section 204C.06, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 116 yeas and 7 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Krueger	Pauly	Skoglund
Anderson, G.	Findlay	Kvam	Peterson	Solberg
Anderson, R.	Fjoslien	Larsen	Piepho	Sparby
Battaglia	Forsythe	Levi	Piper	Staten
Beard	Graba	Long	Price	Sviggum
Begich	Greenfield	Mann	Quinn	Swanson
Bergstrom	Gruenes	Marsh	Quist	Tomlinson
Bishop	Gustafson	McDonald	Redalen	Tunheim
Blatz	Gutknecht	McEachern	Reif	Uphus
Boo	Haukoos	McKasy	Rice	Valan
Brandl	Heap	Metzen	Riveness	Valento
Brinkman	Heinitz	Minne	Rodosovich	Vellenga
Burger	Himle	Munger	Rodriguez, C.	Voss
Carlson, D.	Hoffman	Murphy	Rodriguez, F.	Waltman
Carlson, L.	Hokr	Nelson, D.	Rose	Welch
Clark, J.	Jacobs	Nelson, K.	St. Onge	Welle
Clark, K.	Jensen	Neuenschwander	Sarna	Wenzel
Clawson	Johnson	Norton	Scheid	Wigley
Cohen	Kahn	O'Connor	Schreiber	Wynia
Dempsey	Kalis	Ogren	Seaberg	Speaker Sieben
DenOuden	Kelly	Olsen	Segal	
Elioff	Knickerbocker	Onnen	Shea	
Ellingson	Knuth	Osthoff	Sherman	
Erickson	Kostohryz	Otis	Simoncau	

Those who voted in the negative were:

Bennett	Jennings	Schafer	Welker	Zaffke
Frerichs	Ludeman			

The bill was passed and its title agreed to.

S. F. No. 1750, A bill for an act relating to commerce; providing for the classification of crime reports of the department of commerce; including certain financial institutions within the definition of broker-dealer of securities; broadening the securities transaction exemption for corporate transactions; providing for the receipt of applications for renewal of real estate broker and salesperson licenses; establishing certain fees relating to the regulation of real estate brokers and salespersons; providing for real estate salesperson licensing requirements after examination; clarifying a certain definition relating to recovery from the real estate education, research, and recovery fund; limiting recovery to cases involving judgments against licensed individuals; providing for the depositing of funds under the unclaimed property statutes; regulating sales of unclaimed property; appropriating money; amending Minnesota Statutes 1982, sections 13.81, subdivision 1; 13.82, subdivision 1; 80A.14, subdivision 4; 80A.15, subdivision 2; 80A.30, subdivision 2; 82.17, subdivision 3; 82.20, subdivisions 8 and 9; 82.21, subdivision 1; 82.22, subdivisions 2 and 5; 345.32; 345.47, subdivision 1; 345.48; 345.49; Minnesota Statutes 1983 Supplement, Sections 82.22, subdivisions 6 and 13; and 82.34, subdivision 7; proposing new law coded in Minnesota Statutes, chapter 345.

The bill was read for the third 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:

Anderson, B.	Erickson	Krueger	Pauly	Solberg
Anderson, G.	Evans	Kvam	Peterson	Sparby
Anderson, R.	Findlay	Larsen	Piepho	Staten
Battaglia	Fjoslien	Levi	Piper	Sviggum
Beard	Forsythe	Long	Price	Swanson
Begich	Frerichs	Ludeman	Quinn	Thiede
Bennett	Graba	Mann	Quist	Tomlinson
Bergstrom	Greenfield	Marsh	Redalen	Tunheim
Bishop	Gruenes	McDonald	Reif	Uphus
Blatz	Gustafson	McEachern	Rice	Valan
Boo	Gutknecht	McKasy	Riveness	Valento
Brandl	Haukoos	Metzen	Rodosovich	Vanasek
Brinkman	Heap	Minne	Rodriguez, C.	Vellenga
Burger	Heinitz	Munger	Rodriguez, F.	Voss
Carlson, D.	Himle	Murphy	Rose	Waltman
Carlson, L.	Hoffman	Nelson, D.	St. Onge	Welch
Clark, J.	Hokr	Nelson, K.	Sarna	Welker
Clark, K.	Jacobs	Neuenschwander	Schafer	Welle
Clawson	Jensen	Norton	Scheid	Wenzel
Cohen	Johnson	O'Connor	Schreiber	Wigley
Coleman	Kahn	Ogren	Seaberg	Wynia
Dempsey	Kahis	Olsen	Segal	Zaffke
DenOuden	Kelly	Omam	Shea	Speaker Sieben
Dimler	Knickerbocker	Onnen	Sherman	
Elioff	Knuth	Osthoff	Simoneau	
Ellingson	Kostohryz	Otis	Skoglund	

The bill was passed and its title agreed to.



H. F. No. 1635 was reported to the House.

Peterson moved that H. F. No. 1635 be continued on the Calendar for one day. The motion prevailed.

H. F. No. 1651, A bill for an act relating to crimes; including conservation officers as peace officers authorized to enforce the crime of fleeing a peace officer and related laws; setting penalties for flight from a peace officer under certain conditions; amending Minnesota Statutes 1982, sections 65B.605, subdivision 2; and 609.487, subdivisions 2 and 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Pauly	Skoglund
Anderson, G.	Evans	Krueger	Peterson	Solberg
Anderson, R.	Findlay	Kvam	Piepho	Sparby
Battaglia	Fjoslien	Larsen	Piper	Sviggum
Beard	Forsythe	Levi	Price	Swanson
Begich	Frerichs	Long	Quinn	Thiede
Bennett	Graba	Ludeman	Quist	Tomlinson
Bergstrom	Greenfield	Mann	Redalen	Tunheim
Bishop	Gruenes	Marsh	Reif	Uphus
Blatz	Gustafson	McDonald	Rice	Valan
Boo	Gutknecht	McEachern	Riveness	Valento
Brandl	Haukoos	McKasy	Rodosovich	Vanasek
Brinkman	Heap	Metzen	Rodriguez, C.	Vellenga
Burger	Heinitz	Minne	Rodriguez, F.	Waltman
Carlson, D.	Himle	Munger	Rose	Welch
Carlson, L.	Hoffman	Murphy	St. Onge	Welker
Clark, J.	Hokr	Nelson, D.	Sarna	Welle
Clark, K.	Jacobs	Nelson, K.	Schafer	Wenzel
Clawson	Jennings	Neuenschwander	Scheid	Wigley
Cohen	Jensen	Norton	Schreiber	Wynia
Coleman	Johnson	O'Connor	Seaberg	Zafike
Dempsey	Kahn	Ogren	Segal	Speaker Sieben
DenOuden	Kalis	Olsen	Shaver	
Dimler	Kelly	Omam	Shea	
Elioff	Knickerbocker	Onnen	Sherman	
Ellingson	Knuth	Otis	Simoncau	

The bill was passed and its title agreed to.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Tomlinson requested immediate consideration of H. F. No. 2016.

H. F. No. 2016 was reported to the House.

Tomlinson moved to amend H. F. No. 2016, the first engrossment, as follows:

Page 77, after line 18, insert:

“ARTICLE 5

INTEREST RATE ON REFUNDS

Section 1. [270.76] [INTEREST ON REFUNDS.]

*When any tax payable to the commissioner of revenue or to the department of revenue is overpaid and an amount is due the taxpayer as a refund of the overpayment, the overpayment shall bear interest from the date of payment of the tax until the date the refund is paid or credit is made, unless another period for computing interest is provided by law. The interest rate per annum on overpayments shall be 80 percent of the interest rate contained in section 270.75, the rate shall be adjusted annually and become effective as provided in section 270.75, subdivision 5, and the result of the adjustment in the rate shall be rounded to the nearest full percent. The determination of the commissioner pursuant to this subdivision shall not be considered a “rule” and shall not be subject to the Administrative Procedure Act contained in chapter 14.*

Sec. 2. Minnesota Statutes 1982, section 270A.07, subdivision 5, is amended to read:

Subd. 5. [INTEREST ON REFUNDS.] Any refund wrongfully or incorrectly applied to a debt and transferred to a claimant agency shall be paid by the agency to the debtor. The sum wrongfully or incorrectly withheld shall bear interest at (SIX PERCENT PER YEAR) *the rate specified in section 270.76, computed from the date when the refund would begin to bear interest under section 290.92, subdivision 13, clause (1), regardless of whether the refund is payable under chapter 290 or 290A. If the claimant agency is a state agency, the payment shall be made out of the agency's appropriation.*

Sec. 3. Minnesota Statutes 1982, section 271.12, is amended to read:

271.12 [WHEN ORDER EFFECTIVE.]

No order for refundment by the commissioner of revenue, the appropriate unit of government, or the tax court shall take effect until the time for appeal therefrom or review thereof by all parties entitled thereto has expired. Otherwise every order of the commissioner, the appropriate unit of government, or the tax court shall take effect immediately upon the filing thereof, and no appeal therefrom or review thereof shall stay the execution

thereof or extend the time for payment of any tax or other obligation unless otherwise expressly provided by law; provided, that in case an order which has been acted upon, in whole or in part, shall thereafter be set aside or modified upon appeal, the determination upon appeal or review shall supersede the order appealed from and be binding upon all parties affected thereby, and such adjustments as may be necessary to give effect thereto shall be made accordingly. If it be finally determined upon such appeal or review that any person is entitled to refundment of any amount which has been paid for a tax or other obligation, such amount, unless otherwise provided by law, shall be paid to him by the state treasurer, or other proper officer, out of funds derived from taxes of the same kind, if available for the purpose, or out of other available funds, if any, with interest at (SIX PERCENT) *the rate specified in section 270.76* from the date of payment of the tax, unless a different rate of interest is otherwise provided by law, in which case such other rate shall apply, upon certification by the commissioner of revenue, the appropriate unit of government, the tax court or the supreme court. If any tax, assessment, or other obligation be increased upon such appeal or review, the increase shall be added to the original amount, and may be enforced and collected therewith.

Sec. 4. Minnesota Statutes 1983 Supplement, section 290.50, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURE, TIME LIMIT.] (a) A taxpayer who has paid or from whom there has been collected an amount of tax for any year in excess of the amount legally due for that year, may file with the commissioner a claim for a refund of such excess. Except as otherwise provided in this section, no claim or refund shall be allowed or made after three and one-half years from the date prescribed for filing the return (plus any extension of time granted for filing the return, but only if filed within the extended time) or after two years from the date of overpayment, whichever period is longer, unless before the expiration of the period a claim is filed by the taxpayer. For this purpose an income tax return or amended return claiming an overpayment shall constitute a claim for refund.

(b) If no claim was filed, the credit or refund shall not exceed the amount which would be allowable if a claim was filed on the date the credit or refund is allowed.

(c) If a claim relates to an overpayment on account of a failure to deduct a loss due to a bad debt or to a security becoming worthless, the claim shall be allowed if filed within seven years from the date prescribed in section 290.42 for the filing of the return, and the refund or credit shall be limited to the amount of overpayment attributable to the loss.

(d) For purposes of this section, the prepayment of tax made through the withholding of tax at the source, or payment

of estimated tax, prior to the due date of the tax are considered as having been paid on the last day prescribed by law for the payment of the tax by the taxpayer. A return filed before the due date shall be considered as filed on the due date.

(e) Except as provided in sections 290.92, subdivision 13, 290.93, subdivision 9, and 290.936, interest on the overpayment refunded or credited to the taxpayer shall be allowed at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* computed from the date of payment of the tax until the date the refund is paid or credit is made to the taxpayer. However, to the extent that the basis for the refund is a net operating loss carryback or a capital loss carryback, interest shall be computed only from the end of the taxable year in which the loss occurs.

(f) If a taxpayer reports a change in his federal gross income, items of tax preference, deductions, credits, or a renegotiation, or files a copy of his amended federal return, within 90 days as provided by section 290.56, subdivision 2, a refund may be made of any overpayment within one year after such report or amended return is filed except as provided in subdivision 2.

(g) There is hereby appropriated from the general fund to the commissioner of revenue the amounts necessary to make payments of refunds allowed pursuant to this section.

Sec. 5. Minnesota Statutes 1982, section 290.92, subdivision 11, is amended to read:

Subd. 11. [REFUNDS.] Where there has been an overpayment of tax imposed by this section, refund of such overpayment or credit shall be made to the employer in accordance with regulations prescribed by the commissioner, but only to the extent that the amount of such overpayment was not deducted and withheld under subdivision 2a or subdivision 3 by the employer. Any overpayment which is refunded shall bear interest at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76*, computed from the date of payment until the date the refund is paid to the employer. 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. 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.

Sec. 6. Minnesota Statutes 1983 Supplement, 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 PER CENT PER ANNUM) specified in section 270.76, 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. A return shall not be treated as filed until it is in processible form. A return is in processible form when it is filed on a permitted form containing the taxpayer's name, address, social security account number, the required signature, and sufficient required information (whether on the return or on required attachments) to permit the mathematical verification of tax liability shown on the return. 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. 7. Minnesota Statutes 1983 Supplement, 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) specified in

section 270.76, 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. A return shall not be treated as filed until it is in processible form. A return is in processible form when the return is filed on a permitted form, and the return contains the taxpayer's name, address, social security account number, the required signature, and sufficient required information (whether on the return or on required attachments) to permit the mathematical verification of tax liability shown on the return. 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. 8. Minnesota Statutes 1982, 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) *specified in section 270.76*, 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. 9. Minnesota Statutes 1982, section 290A.07, subdivision 2a, is amended to read:

Subd. 2a. A claimant 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) *the rate specified in section 270.76* from August 15 or 60 days after receipt of the application whichever is later.

Sec. 10. Minnesota Statutes 1983 Supplement, section 290A.07, subdivision 3, is amended to read:

Subd. 3. Any claimant not included in subdivision 2a shall receive full payment after August 31 and prior to September 15. Interest shall be added at (SIX PERCENT PER ANNUM) *the rate specified in section 270.76* from September 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. 11. Minnesota Statutes 1982, section 291.18, is amended to read:

291.18 [OVERPAYMENT OF TAX; REFUNDS; APPROPRIATION.]

(1) When any tax or penalty and accrued interest thereon, imposed by this chapter shall have been paid or collected, in excess of the amount legally due, the person or corporation paying the same shall be entitled to a refundment of the amount of such taxes, penalty and interest overpaid, together with interest thereon at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* from the date of payment, or from the date beginning nine months after death of the decedent, whichever date occurs later, in the manner provided by section 291.32; provided that all applications for such refundment shall be made within two years from the date of final determination or adjustment of any part of such tax by the taxpayer and the commissioner, the probate court or the tax court, as the case may be.

(2) There is hereby appropriated to the persons entitled to such refund, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Sec. 12. Minnesota Statutes 1982, section 294.09, subdivision 1, is amended to read:

Subdivision 1. [PROCEDURES; TIME LIMIT.] A company, joint stock association, copartnership, corporation, or individual who has paid, voluntarily or otherwise, or from whom there has been collected (other than by proceedings instituted by the attorney general under sections 294.06 and 294.08, subdivision 3) an amount of gross earnings tax for any year in excess of the amount legally due for that year, may file with the commissioner of revenue a claim for a refund of such excess. Except as provided in subdivision 4, no such claim shall be entertained unless filed within two years after such tax was paid or collected, or within three and one-half years from the filing of the return, whichever period is the longer. Upon the filing of a claim the commissioner shall examine the same and shall make and file written findings thereon denying or allowing the claim in whole or in part and shall mail a notice thereof to such company, joint stock association, copartnership, corporation, or individual at the address stated upon the return. If such claim is allowed in whole or in part, the commissioner shall credit the amount of the allowance against any tax due the state from the claimant and for the balance of said allowance, if any, the commissioner shall issue his certificate for the refundment of the excess paid. The commissioner of finance shall cause such refund to be paid out of the proceeds of the gross earnings taxes imposed by Minnesota Statutes 1967, Chapters 294 and 295 as other state moneys are expended. So much of the proceeds as may be necessary are hereby appropriated for that purpose. Any allowance so made by the commissioner shall include interest at the rate (OF SIX PERCENT) *specified in section 270.76* computed from the date of payment or collection of the tax until the date the refund is paid to the claimant.

Sec. 13. Minnesota Statutes 1983 Supplement, section 297A.35, subdivision 1, is amended to read:

Subdivision 1. A person who has, pursuant to the provisions of this chapter, paid to the commissioner an amount of tax for any period in excess of the amount legally due for that period, may file with the commissioner a claim for a refund of such excess subject to the conditions specified in subdivision 5. Except as provided in subdivision 4 no such claim shall be entertained unless filed within two years after such tax was paid, or within three years from the filing of the return, whichever period is the longer. The commissioner shall examine the claim and make and file written findings thereon denying or allowing the claim in whole or in part and shall mail a notice



thereof to such person at the address stated upon the claim. Any allowance shall include interest on the excess determined at a rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* from the date such excess was paid or collected until the date it is refunded or credited. If such claim is allowed in whole or in part, the commissioner shall credit the amount of the allowance against any taxes under sections 297A.01 to 297A.44 due from the claimant and for the balance of said allowance, if any, the commissioner shall issue his certificate for the refundment of the excess paid, and the commissioner of finance shall cause such refund to be paid out of the proceeds of the taxes imposed by sections 297A.01 to 297A.44, as other state moneys are expended. So much of the proceeds of such taxes as may be necessary are hereby appropriated for that purpose.

Sec. 14. Minnesota Statutes 1982, section 298.09, subdivision 4, is amended to read:

Subd. 4. If the amount of tax determined by the commissioner is subsequently found to be erroneous, the commissioner may, at any time within three years from the date the tax is certified as provided in section 298.10, redetermine the amount thereof. No such redetermination shall be made increasing the tax unless the person from whom the additional amount is due is given ten days written notice thereof and an opportunity to be heard thereon. If an order is made increasing the tax, the same proceedings shall be had as provided for occupation taxes originally determined and certified. Any person who has paid an occupation tax may apply to the commissioner within the time herein limited for a redetermination of the tax, and if the commissioner determines that the tax has been overpaid, he shall make and file an order determining the amount of such overpayment, and credit it against occupation taxes otherwise payable by the person who has overpaid the amount as so determined. If the tax is increased, interest at the rate specified in section 270.75 from the date payment should have been made shall be determined and paid; if the tax is reduced, interest at the rate (OF SIX PERCENT PER ANNUM) *specified in section 270.76* from the date of overpayment shall be allowed.

Sec. 15. Minnesota Statutes 1982, section 299.05, is amended to read:

**299.05 [ASSESSMENT BY COMMISSIONER.]**

Upon receipt of the report provided for in section 299.03, the commissioner of revenue shall determine, from information as may be possessed, or obtained, whether the report is correct, or incorrect; and, if found correct, the commissioner shall determine the amount of tax due from the person, enter the amount of the tax in department records, make assessment of taxes due

from the person, and the amount that has been paid; and, on or before June 30, of each year, demand payment from the person. The commissioner of revenue shall have power, in case he shall deem the report incorrect, or in case the report is not made and filed with the commissioner as provided in section 299.03, to make findings as to the amount of taxes due after hearing upon notice to the person interested, and the findings shall have the same effect as the determination of the amount of such taxes upon a report made as hereinbefore provided.

A person subletting land for the use of which is received royalty shall be required to pay taxes only on the difference between the amount of royalty paid by him or her and the amount received.

If the amount of tax determined by the commissioner is subsequently found to be erroneous, the commissioner may, at any time within three years from the date allowed above for the original assessment, redetermine the amount of the tax. No redetermination shall be made increasing the tax unless the person from whom the additional amount is due is given ten days written notice of the proposed increase and the person's right to a hearing pursuant to chapter 14. Any person who has paid a royalty tax may apply to the commissioner within three years from the date allowed above for the original assessment for a redetermination of the tax and if the commissioner determines that the tax has been overpaid, he or she shall make and file an order determining the amount of the overpayment and credit the overpayment against the royalty taxes otherwise payable by the person who overpaid the tax. If the tax is increased, interest at the rate specified in section 270.75 from the date payment should have been made shall be determined and added to the tax. If the tax is reduced, interest at the rate (OF SIX PERCENT PER ANNUM) specified in section 270.76 from the date of the overpayment shall be allowed.

Sec. 16. [EFFECTIVE DATE.]

*This article is effective for interest earned on overpayments after December 31, 1984.*

Further, amend the title as follows:

Page 2, line 12, after the semicolon, insert "increasing the interest rate on state tax refunds;"

Page 2, line 16, after "270.87;" insert "270A.07, subdivision 5;"

Page 2, line 17, after the semicolon insert "271.12;"

Page 2, line 21, after the second semicolon, insert "290.92, subdivision 11; 290.936;"

Page 2, line 22, after the first semicolon, insert "290A.07, subdivision 2a;"

Page 2, line 23, after the first semicolon, insert "291.18;" and after the second semicolon, insert "294.09, subdivision 1;"

Page 2, line 26, after the semicolon, insert "298.09, subdivision 4; 299.05;"

Page 2, line 34, after the first semicolon, insert "290.50, subdivision 1; 290.92, subdivision 13; 290.93, subdivision 9;"

Page 2, line 36, after the first semicolon, insert "290A.07, subdivision 3;"

Page 2, line 40, after the first semicolon, insert "297A.35, subdivision 1;"

Page 2, line 43, after "chapters" insert "270,"

The motion prevailed and the amendment was adopted.

Tomlinson, Long and Scheid moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 55, line 15, delete the second "The"

Page 55, delete lines 16 to 19

The motion prevailed and the amendment was adopted.

Marsh moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 25, after line 25, add a new subdivision 3 to read:

*"However, for projects or large renovations, expansions, or modernizations, the rate of the excise tax imposed upon sales of \$50,000,000 shall be three percent, sales of \$60,000,000 shall be two percent, sales of \$70,000,000 shall be one percent, and sales of \$80,000,000 or more shall be exempt from the excise tax.*

*Subd. 3 of Sec. 10 effective date May 1, 1984 to May 1, 1986"*

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 72 nays as follows:

## Those who voted in the affirmative were:

Anderson, R.	Evans	Hokr	Omann	Solberg
Bennett	Findlay	Jennings	Onnen	Sviggum
Bishop	Fjoslien	Johnson	Pauly	Thiede
Blatz	Forsythe	Knickerbocker	Piepho	Valan
Boo	Frerichs	Kvam	Quist	Valento
Burger	Gruenes	Levi	Reif	Waltman
Clawson	Gutknecht	Ludeman	Rose	Wenzel
Cohen	Haukoos	Marsh	Schreiber	Wigley
Dempsey	Heap	McDonald	Seaberg	
Dimler	Heinitz	McKasy	Shaver	
Erickson	Himle	Olsen	Sherman	

## Those who voted in the negative were:

Anderson, B.	Gustafson	Minne	Redalen	Staten
Battaglia	Hoffman	Munger	Rice	Swanson
Beard	Jacobs	Murphy	Riveness	Tomlinson
Begich	Jensen	Nelson, D.	Rodosovich	Tunheim
Brandl	Kahn	Nelson, K.	Rodriguez, C.	Vellenga
Brinkman	Kalis	Neuenschwander	Rodriguez, F.	Voss
Carlson, L.	Kelly	Norton	St. Onge	Welch
Clark, J.	Knuth	O'Connor	Sarna	Wolker
Clark, K.	Kostohryz	Ogren	Schafer	Welle
Coleman	Krueger	Osthoff	Scheid	Wynia
DenOuden	Larsen	Otis	Schoenfeld	Zaffke
Elioff	Long	Peterson	Segal	Speaker Sieben
Ellingson	Mann	Piper	Simoneau	
Graba	McEachern	Price	Skoglund	
Greenfield	Metzen	Quinn	Sparby	

The motion did not prevail and the amendment was not adopted.

Dempsey, DenOuden, Piepho, Findlay, Gruenes, Blatz, Uphus, Sherman and Fjoslien offered an amendment to H. F. No. 2016, the first engrossment, as amended.

## POINT OF ORDER

Kelly raised a point of order pursuant to rule 3.9 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Johnson; Carlson, D.; Redalen; Frerichs; Boo; Waltman; Erickson and Zaffke moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 47, after line 25, insert:

"Sec. 9. Minnesota Statutes 1983 Supplement, section 477A.012, is amended to read:

477A.012 [COUNTY GOVERNMENT DISTRIBUTIONS.]

In each calendar year, every county government shall receive a distribution equal to (60 PERCENT OF THE) *its* aid amount certified for 1983 pursuant to sections 477A.011 to 477A.03. *Counties containing cities of the first class shall each receive a distribution equal to \$2 multiplied by the county's population.*"

Renumber the remaining sections

Page 50, line 24, delete "16" and insert "17"

Page 50, line 26, delete "Section 9 is" and insert "Sections 9 and 10 are"

Page 50, line 28, delete "10 to 14" and insert "11 to 15"

Page 50, line 29, delete "15" and insert "16"

Further, amend the title as follows :

Page 1, line 18, after "1985;" insert "restoring local government aids to county governments;"

Page 2, line 40, after "297B.09;" insert "477A.012;"

A roll call was requested and properly seconded.

#### CALL OF THE HOUSE

On the motion of DenOuden and on the demand of 10 members, a call of the House was ordered. The following members answered to their names :

Anderson, B.	Evans	Kostohryz	Osthoff	Solberg
Anderson, R.	Findlay	Krueger	Otis	Sparby
Battaglia	Fjoslien	Kvam	Pauly	Staten
Beard	Forsythe	Larsen	Peterson	Sviggum
Begich	Frerichs	Long	Piepho	Swanson
Bennett	Graba	Ludeman	Piper	Thiede
Bergstrom	Greenfield	Mann	Quinn	Tomlinson
Bishop	Gruenes	Marsh	Quist	Tunheim
Blatz	Gustafson	McDonald	Redalen	Valan
Boo	Gutknecht	McEachern	Reif	Valento
Brandl	Heap	McKasy	Rodriguez, C.	Vanasek
Brinkman	Heinitz	Metzen	Rodriguez, F.	Waltman
Burger	Himle	Minne	St. Onge	Welch
Carlson, L.	Hoffman	Munger	Schafer	Welker
Clark, J.	Jacobs	Murphy	Scheid	Welle
Clark, K.	Jennings	Nelson, D.	Schreiber	Wenzel
Cohen	Jensen	Neuenschwander	Seaberg	Wigley
Coleman	Johnson	Norton	Segal	Wynia
DenOuden	Kahn	O'Connor	Shaver	Zaffke
Dimler	Kalis	Ogren	Shea	Speaker Sieben
Elioff	Kelly	Olsen	Sherman	
Ellingson	Knickerbocker	Omann	Simoneau	
Erickson	Knuth	Onnen	Skoglund	

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 amendment and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 57 yeas and 65 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Fjoslien	Knickerbocker	Piepho	Uphus
Bennett	Forsythe	Krueger	Quist	Valan
Bishop	Frerichs	Kvam	Redalen	Valento
Blatz	Graba	Ludeman	Reif	Waltman
Boo	Gruenes	Marsh	Rose	Welker
Burger	Gutknecht	McDonald	Schafer	Welle
Dempsey	Haukoos	McKasy	Schreiber	Wenzel
DenOuden	Hcinitz	Olsen	Scaberg	Wigley
Dimler	Himic	Omänn	Shaver	Zaffke
Erickson	Hokr	Onnen	Sherman	
Evans	Jennings	Osthoff	Sviggum	
Findlay	Johnson	Pauly	Thiede	

Those who voted in the negative were:

Anderson, B.	Elioff	Mann	Piper	Skoglund
Anderson, G.	Greenfield	McEachern	Quinn	Solberg
Battaglia	Gustafson	Metzen	Rice	Sparby
Beard	Hoffman	Minne	Rodosovich	Staten
Begich	Jacobs	Murphy	Rodriguez, C.	Swanson
Bergstrom	Jensen	Nelson, D.	Rodriguez, F.	Tomlinson
Brandl	Kahn	Nelson, K.	St. Onge	Tunheim
Brinkman	Kalis	Neuenschwander	Sarna	Vanasek
Carlson, L.	Kelly	Norton	Scheid	Vellenga
Clark, J.	Knuth	O'Connor	Schoenfeld	Voss
Clark, K.	Kostohryz	Ogren	Segal	Welch
Clawson	Larsen	Otis	Shea	Wynia
Cohen	Long	Peterson	Simoneau	Speaker Sieben

The motion did not prevail and the amendment was not adopted.

Valento, Dimler and Blatz moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 47, delete lines 26 to 33

Renumber the remaining sections

Page 50, line 26, delete everything after the period

Page 50, line 27, delete everything up to and including the period

Page 50, line 28, delete "10 to 14" and insert "9 to 13"

Page 50, line 29, delete "15" and insert "14"

Page 50, after line 30, insert:

#### "ARTICLE 6

Section 1. Minnesota Statutes 1982, section 477A.011, is amended by adding a subdivision to read:

*Subd. 12. [MILL RATE FACTOR.] "Mill rate factor" means a municipality's population multiplied by its average equalized municipal mill rate.*

Sec. 2. Minnesota Statutes 1982, section 477A.011, is amended by adding a subdivision to read:

*Subd. 13. [ASSESSED VALUE FACTOR.] "Assessed value factor" means a municipality's population multiplied by the ratio of the statewide average equalized assessed value per capita to the municipality's equalized assessed value per capita. The statewide average equalized assessed value per capita is obtained by dividing the total equalized assessed value of all cities in the state by the total population of all cities in the state.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 477A.-013, subdivision 1, is amended to read:

Subdivision 1. [TOWNS.] In each calendar year, each town which (HAS AN AVERAGE EQUALIZED MILL RATE OF AT LEAST TWO MILLS) had levied for taxes payable in the previous year at least one mill on the dollar of the assessed value of the town shall receive a distribution equal to 50 percent of the amount received in 1983 pursuant to Minnesota Statutes 1982, sections 273.138, 273.139, and 477A.011 to 477A.03.

Sec. 4. Minnesota Statutes 1983 Supplement, section 477A.-013, subdivision 2, is amended to read:

Subd. 2. [CITIES (AND TOWNS).] In each calendar year, (EACH) the total local government aid appropriation for cities determined pursuant to section 477A.03 shall be apportioned among all statutory and home rule charter (CITY) cities as follows: (SHALL RECEIVE A DISTRIBUTION EQUAL TO THE AMOUNT OBTAINED BY SUBTRACTING TEN MILLS MULTIPLIED BY THE MUNICIPALITY'S EQUALIZED ASSESSED VALUE FROM THE ADJUSTED LOCAL REVENUE BASE.)

(AN AID AMOUNT SHALL BE COMPUTED IN THE SAME MANNER FOR ALL TOWNS WHICH HAVE AN AVERAGE EQUALIZED MILL RATE OF AT LEAST TWO MILLS. A TOWN'S FINAL AID AMOUNT SHALL BE DETERMINED BY EITHER THE SUBDIVISION 1 OR THE SUBDIVISION 2 CALCULATION, WHICHEVER IS GREATER.)

(a) *Each city of the first class shall receive an apportionment equal to its previous year aid;*

(b) *One-half of the allocation for cities other than cities of the first class shall be apportioned in proportion to the ratio of each city's mill rate factor to the sum of the mill rate factors of all cities in the state other than cities of the first class;*

(c) *One-half of the allocation for cities other than cities of the first class shall be apportioned in proportion to the ratio of each city's assessed value factor to the sum of the assessed value factors of all cities in the state other than cities of the first class.*

Sec. 5. Minnesota Statutes 1982, section 477A.013, is amended by adding a subdivision to read:

*Subd. 2a. [PHASE-IN.] For the calendar year 1985 aid distribution, each city's previous year aid shall be subtracted from its total allocation pursuant to subdivision 2. The resulting amount shall be divided by three. Notwithstanding the provisions of subdivision 2, each city's 1985 aid distribution shall be obtained by adding the amount resulting from this calculation to the city's previous year aid, when the result is positive, or subtracting the amount from the city's previous year aid, when the result is negative. If the result of this calculation for a city yields an aid amount greater than \$140 per capita, the amount shall be reduced to the level of its previous year aid or \$140 per capita, whichever is greater.*

*The commissioner of revenue shall determine the amounts to be allocated pursuant to subdivision 2, clauses (b) and (c) in such a manner as to entirely distribute the sum appropriated for cities pursuant to section 477A.03, subdivision 2.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 477A.03, subdivision 2, is amended to read:

**Subd. 2. [LIMITATION ON APPROPRIATION (; PROPORTIONATE REDUCTION).] The amount appropriated under subdivision 1 for (DISTRIBUTIONS TO TOWNS PURSUANT TO SECTION 477A.013 SHALL NOT EXCEED \$8,750,000 AND THE AMOUNT APPROPRIATED FOR) distribution to cities pursuant to section 477A.013 shall not exceed (\$246,200,000) \$264,900,000 for calendar year (1984) 1985. (IF THE LIMITATIONS CONTAINED IN THIS SUBDI-**



VISION RESULT IN A REDUCTION IN THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 2, EACH CITY RECEIVING LOCAL GOVERNMENT AID SHALL HAVE ITS DISTRIBUTION REDUCED IN PROPORTION TO THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 2, BEFORE THE LIMITATION OF SECTION 477A.013, SUBDIVISION 3, IS TAKEN INTO ACCOUNT. IF THE LIMITATIONS CONTAINED IN THIS SUBDIVISION RESULT IN A REDUCTION IN THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 1, EACH TOWN RECEIVING LOCAL GOVERNMENT AID SHALL HAVE ITS DISTRIBUTION REDUCED IN PROPORTION TO THE AMOUNTS DETERMINED PURSUANT TO SECTION 477A.013, SUBDIVISION 1 OR 2, BEFORE THE LIMITATION OF SECTION 477A.013, SUBDIVISION 3, IS TAKEN INTO ACCOUNT.)

Sec. 7. [REPEALER.]

*Minnesota Statutes 1983 Supplement, sections 477A.013, subdivision 3; and 477A.0131 are repealed.*

Sec. 8. [EFFECTIVE DATE.]

*Sections 3 and 6 are effective the day following final enactment for determination of aids to be paid in 1984 and subsequent years. Notwithstanding section 477A.014, subdivision 1, the commissioner shall notify towns affected by the provisions of section 3 of their revised aid amounts and the computational factors used in making the calculations for their aids as soon as practicable. Sections 1, 2, 4, 5, and 7 are effective commencing with the calendar year 1985 aid distribution."*

Renumber the remaining articles

Further, amend the title as follows :

Page 1, line 18, delete "certain"

Page 2, line 27, after "subdivision;" insert "477A.011, by adding subdivisions; 477A.013, by adding a subdivision;"

Page 2, line 40, delete "and"

Page 2, line 41, delete "subdivision 1" and insert "subdivisions 1 and 2; and 477A.03, subdivision 2"

Page 2, line 49, delete "and"

Page 2, line 50, after "subdivision 3" insert "; 477A.013, subdivision 3; and 477A.0131"

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 42 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Bennett	Frerichs	Knickerbocker	Piepho	Uphus
Blatz	Graba	Krueger	Quist	Valan
Burger	Halberg	Levi	Redalen	Valento
Dempsey	Haukoos	Ludeman	Rose	Waltman
DenOuden	Heap	McDonald	Schafer	Welker
Dimler	Heinitz	Olsen	Schoenfeld	Wigley
Erickson	Himle	Omamn	Schreiber	
Findlay	Jennings	Onnen	Seaberg	
Forsythe	Johnson	Pauly	Shaver	

Those who voted in the negative were:

Anderson, B.	Elioff	Long	Otis	Skoglund
Anderson, G.	Ellingson	Mann	Peterson	Solberg
Anderson, R.	Evans	Marsh	Piper	Sparby
Battaglia	Greenfield	McEachern	Price	Staten
Beard	Gruenes	McKasy	Quinn	Sviggum
Begich	Gustafson	Metzen	Rice	Swanson
Bergstrom	Gutknecht	Minne	Riveness	Tomlinson
Bishop	Hoffman	Munger	Rodosovich	Tunheim
Boo	Jacobs	Murphy	Rodriguez, C.	Vanasek
Brandl	Jensen	Nelson, D.	Rodriguez, F.	Vellenga
Brinkman	Kahn	Nelson, K.	St. Onge	Welch
Carlson, L.	Kalis	Neuenschwander	Sarna	Welle
Clark, J.	Kelly	Norton	Scheid	Wenzel
Clark, K.	Knuth	O'Connor	Segal	Wynia
Cohen	Kostohryz	Ogren	Shea	Zaffke
Coleman	Larsen	Osthoff	Simoneau	Speaker Sieben

The motion did not prevail and the amendment was not adopted.

Bishop, Schreiber, Kvam, Blatz and Frerichs moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 7, after line 31, insert:

"Sec. 6. Minnesota Statutes 1983 Supplement, section 290.06, subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULE OF RATES FOR INDIVIDUALS, ESTATES AND TRUSTS.] (a) The income taxes imposed by this chapter upon individuals, estates and trusts, other than those taxable as corporations, shall be computed by applying to their taxable net income the following schedule of rates:

- (1) On the first \$500, one and six-tenths percent;
- (2) On the second \$500, two and two-tenths percent;
- (3) On the next \$1,000, three and five-tenths percent;
- (4) On the next \$1,000, five and eight-tenths percent;
- (5) On the next \$1,000, seven and three-tenths percent;
- (6) On the next \$1,000, eight and eight-tenths percent;
- (7) On the next \$2,000, ten and two-tenths percent;
- (8) On the next \$2,000, eleven and five-tenths percent;
- (9) On the next \$3,500, twelve and eight-tenths percent;
- (10) On all over \$12,500, and not over \$20,000, fourteen percent;
- (11) On all over \$20,000 (AND NOT OVER \$27,500), fifteen percent (;

((12) ON ALL OVER \$27,500, SIXTEEN PERCENT).

(b) In lieu of a tax computed according to the rates set forth in clause (a) of this subdivision, the tax of any individual taxpayer whose taxable net income for the taxable year is less than \$40,000 shall be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision, provided that the commissioner may disregard a fractional part of a dollar unless it amounts to 50 cents or more, in which case it may be increased to \$1."

Renumber subsequent sections in sequence

Page 21, line 7, delete "11, and 12" and insert "8, 12, and 13"

Page 21, line 11, delete "9, 10, 13, and 14" and insert "10, 11, 14, and 15"

Page 21, line 12, delete "15 to" and insert "16 to 18"

Page 21, line 13, delete "17"

Further, amend the title as follows:

Page 1, line 1, after the second semicolon insert "reducing the individual income tax rates;"

Page 2, line 32, delete "subdivision" and insert "subdivisions 2 and"

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 56 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Kvam	Piepho	Thiede
Bennett	Frerichs	Levi	Quist	Uphus
Bishop	Gutknecht	Long	Reif	Valan
Blatz	Halberg	Ludeman	Rodriguez, C.	Valento
Burger	Heap	Marsh	Rose	Waltman
Cohen	Heinitz	McDonald	Schafer	Welker
Dempsey	Himle	McKasy	Schreiber	Wenzel
Dimler	Hoffman	Metzen	Seaberg	Wigley
Erickson	Hokr	Olsen	Segal	
Evans	Jennings	Omann	Shaver	
Findlay	Johnson	Osthoff	Sherman	
Fjoslien	Knickerbocker	Pauly	Sviggen	

Those who voted in the negative were:

Anderson, B.	Graba	Munger	Redalen	Swanson
Anderson, G.	Greenfield	Murphy	Rice	Tomlinson
Battaglia	Gruenes	Nelson, D.	Rodosovich	Tunheim
Beard	Gustafson	Nelson, K.	Rodriguez, F.	Vanasek
Begich	Jacobs	Neuenschwander	St. Onge	Vellenga
Bergstrom	Jensen	Norton	Sarna	Welch
Brandl	Kahn	O'Connor	Scheid	Welle
Brinkman	Kalis	Ogren	Schoenfeld	Wynia
Carlson, L.	Kelly	Onnen	Shea	Zaffke
Clark, J.	Kostohryz	Otis	Simoneau	Speaker Sieben
Clark, K.	Krueger	Peterson	Skoglund	
Clawson	Larsen	Piper	Solberg	
Elioff	Mann	Price	Sparby	
Ellingson	Minne	Quinn	Staten	

The motion did not prevail and the amendment was not adopted.

McDonald moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 42, after line 7, insert:

"Sec. 3. Minnesota Statutes 1983 Supplement is amended by adding a section to read:

[273.131] [AGRICULTURAL LAND CREDIT.]

*Subdivision 1. The property taxes on all agricultural land, whether homestead or not, which is selected or under consideration as a hazardous waste land disposal facility by the Waste Management Board shall be further reduced from that provided in section 273.135 by 50 percent, and for all agricultural land, whether homestead or not and abutting a hazardous waste land disposal facility or one under consideration, shall be further reduced from that provided in section 273.135 by 25 percent.*

*Subd. 2. The commissioner of finance shall pay to each county treasurer one-half of the amount reduced under subdivision 1 no later than July 15 and the remaining half no later than November 15 of each year beginning in 1985."*

Renumber the remaining sections

Amend the title accordingly

A roll call was requested and properly seconded.

Ogren moved to amend the McDonald amendment to H. F. No. 2016, the first engrossment, as amended, as follows:

Line 9, delete "agricultural"

The motion prevailed and the amendment to the amendment was adopted.

Rodriguez, C., moved to amend the McDonald amendment, as amended, to H. F. No. 2016, the first engrossment, as amended, as follows:

Line 6, after "a" insert "sludge ash or"

The motion prevailed and the amendment to the amendment was adopted.

Nelson, D., moved to amend the McDonald amendment, as amended, to H. F. No. 2016, the first engrossment, as amended, as follows:

Line 6, after "ash" insert ", solid waste"

The motion prevailed and the amendment to the amendment was adopted.

The question recurred on the McDonald amendment, as amended, and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 62 yeas and 62 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Forsythe	Kvam	Piepho	Sparby
Bennett	Frerichs	Levi	Quinn	Sviggum
Bishop	Gruenes	Ludeman	Quist	Thiede
Blatz	Gutknecht	Marsh	Redalen	Tunheim
Boo	Halberg	McDonald	Reif	Uphus
Burger	Haukoos	McKasy	Rodosovich	Valan
Dempsey	Heap	Metzen	Rodriguez, C.	Valento
DenOuden	Heinitz	Neuenschwander	Rose	Waltman
Dimler	Himle	Ogren	Schafer	Welker
Erickson	Hokr	Olsen	Schreiber	Wigley
Evans	Jennings	Omann	Seaberg	
Findlay	Johnson	Onnen	Shaver	
Fjoslien	Knickerbocker	Pauly	Sherman	

Those who voted in the negative were:

Anderson, B.	Coleman	Larsen	Price	Swanson
Anderson, G.	Elioff	Mann	Rice	Tomlinson
Battaglia	Ellingson	McEachern	Riveness	Vanasek
Beard	Graba	Minne	Rodriguez, F.	Vellenga
Begich	Greenfield	Munger	St. Onge	Voss
Bergstrom	Gustafson	Murphy	Sarna	Welch
Brandl	Hoffman	Nelson, K.	Scheid	Welle
Brinkman	Jacobs	Norton	Schoenfeld	Wynia
Carlson, L.	Kahn	O'Connor	Shea	Zaffke
Clark, J.	Kalis	Osthoff	Simoneau	Speaker Sieben
Clark, K.	Kelly	Otis	Skoglund	
Clawson	Kostohryz	Peterson	Solberg	
Cohen	Krueger	Piper	Staten	

The motion did not prevail and the amendment, as amended, was not adopted.

Vanasek moved that the House recess subject to the call of the Chair. The motion prevailed.

RECESS

RECONVENED

The House reconvened and was called to order by the Speaker.

H. F. No. 2016 was again reported to the House.

Onnen, Piepho, Haukoos, Erickson, Fjoslien and Valento moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 36, after line 3, insert :

*“(bb) The gross receipts from the sales of tangible personal property at, admission charges for, and sales of food, meals, or drinks at fund-raising events sponsored by a nonprofit organization when the entire proceeds, except for the necessary expenses connected therewith, will be used solely and exclusively for charitable, religious, or educational purposes. For purposes of this clause, a “nonprofit organization” means any unit of government, corporation, society, association, foundation, or institution organized and operated for charitable, religious, educational, civic, fraternal, senior citizens’ or veterans’ purposes, no part of the net earnings of which inures to the benefit of a private individual.*

*If the profits are not used solely and exclusively for charitable, religious, or educational purposes, the entire gross receipts shall be subject to tax.*

*Each nonprofit organization shall keep a separate accounting record, including receipts and disbursements, from each fund-raising event. The fund-raising receipts shall be segregated from the revenues of the nonprofit organization and placed in a separate checking account. All deductions from gross receipts shall be documented with receipts and other records. If records are not maintained as required, the entire gross receipts shall be subject to tax.*

*The exemption provided by this clause does not apply to any event where the event yields a profit to the promoter or to any individual contracted to provide services or equipment, or both, for the event.*

*The exemption for fund-raising events under this clause is limited to no more than three events a year with each event having a duration of no longer than four weeks.”*

Amend the title as follows :

Page 2, line 7, after the semicolon insert “exempting certain sales by nonprofit organizations from the sales tax;”

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 76 yeas and 49 nays as follows :

## Those who voted in the affirmative were:

Bennett	Frerichs	Krueger	Osthoff	Solberg
Blatz	Graba	Kvam	Pauly	Sviggum
Boo	Greenfield	Levi	Piepho	Tunheim
Brandl	Gruenes	Ludeman	Quinn	Uphus
Brinkman	Gutknecht	Marsh	Quist	Valan
Burger	Halberg	McDonald	Redalen	Valento
Carlson, D.	Haukoos	McKasy	Rodosovich	Vellenga
Coleman	Heap	Metzen	Rodriguez, C.	Waltman
Dempsey	Heinitz	Minne	Rose	Welker
DenOuden	Himle	Murphy	Schafer	Wenzel
Dimler	Hoffman	Norton	Schoenfeld	Wigley
Elioff	Hokr	O'Connor	Schreiber	Zaffke
Erickson	Jennings	Ogren	Seaberg	
Findlay	Johnson	Olsen	Segal	
Fjoslien	Kelly	Omamn	Shaver	
Forsythe	Knickerbocker	Onnen	Sherman	

## Those who voted in the negative were:

Anderson, B.	Cohen	Larsen	Piper	Staten
Anderson, G.	Ellingson	Long	Price	Swanson
Battaglia	Evans	Mann	Rice	Thiede
Beard	Gustafson	McEachern	Riveness	Tomlinson
Begich	Jacobs	Munger	Rodriguez, F.	Vanasek
Bergstrom	Jensen	Nelson, D.	St. Onge	Welch
Carlson, L.	Kahn	Nelson, K.	Sarna	Welle
Clark, J.	Kalis	Neuenschwander	Simoneau	Wynia
Clark, K.	Knuth	Otis	Skoglund	Speaker Sieben
Clawson	Kostohryz	Peterson	Sparby	

The motion prevailed and the amendment was adopted.

Kvam, Blatz, DenOuden, Frerichs and Sviggum moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 2, line 58, strike "on July 1, 1983", strike "transfer" and insert "maintain", strike "to" and insert "in"

Page 2, delete lines 60 and 61

Page 3, delete line 1, and insert:

*"Earnings accruing on the amount in the budget reserve account shall be transferred to and become part of the account. This subdivision is an appropriation of money subject to it and shall not lapse until expressly provided by other law."*

The motion did not prevail and the amendment was not adopted.

Dempsey, Findlay and Uphus moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 77, after 18, insert:



## "ARTICLE 11

Section 1. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 16. [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, or equipment used primarily to reduce the generation of hazardous waste, 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 may not exceed the lesser of the liability for tax for the taxable year or \$75,000. The credit shall apply only if*

*(1) 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; or*

*(2) the pollution control agency certifies that the equipment reduces the generation of hazardous waste and that the generator is in compliance with applicable hazardous waste laws and rules.*

*(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 the taxable year (hereinafter in this subdivision referred to as the "unused credit year"), the excess is 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 must 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. 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.*

Sec. 2. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 17. [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 con-*

*nection 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 the equipment is purchased; provided that no deduction may be taken for any portion of the cost of the same equipment pursuant to subdivision 16.*

*If the amount of the credit provided by this subdivision exceeds the taxpayer's liability for taxes pursuant to chapter 290 in the taxable year in which the 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. 3. [EFFECTIVE DATE.]

*Sections 1 and 2 are effective for taxable years beginning after December 31, 1984."*

Amend the title as follows:

Page 2, line 12, after the semicolon, insert "reinstating pollution control and feedlot pollution control credits;"

Page 2, line 20, delete "a subdivision" and insert "subdivisions"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Vanasek 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:

Anderson, R.	Findlay	Johnson	Piepho	Thiede
Bennett	Fjoslien	Knickerbocker	Quist	Uphus
Bergstrom	Forsythe	Kvam	Redalen	Valan
Bishop	Frerichs	Levi	Reif	Valento
Blatz	Gruenes	Long	Rodriguez, C.	Waltman
Boo	Cutknecht	Ludeman	Rose	Welker
Burger	Halberg	Marsh	Schafer	Wenzel
Carlson, D.	Haukoos	McDonald	Schreiber	Wigley
Dempsey	Heap	McKasy	Seaberg	Zaffke
DenOuden	Heinitz	Olsen	Shaver	
Dimler	Himle	Omann	Shea	
Erickson	Hokr	Onnen	Sherman	
Evans	Jennings	Pauly	Sviggun	

Those who voted in the negative were:

Anderson, G.	Ellingson	Mann	Piper	Sparby
Battaglia	Craba	Minne	Price	Staten
Beard	Greenfield	Munger	Quinn	Tomlinson
Begich	Gustafson	Murphy	Rice	Tunheim
Brandl	Hoffman	Neison, D.	Riveness	Vanasek
Brinkman	Jacobs	Nelson, K.	Rodosovich	Vellenga
Carlson, L.	Jensen	Neuenschwander	Rodriguez, F.	Welch
Clark, J.	Kahn	Norton	St. Onge	Welle
Clark, K.	Kelly	O'Connor	Scheid	Wynia
Clawson	Knuth	Ogren	Schoenfeld	Speaker Sieben
Cohen	Kostohryz	Osthoff	Simoneau	
Coleman	Krueger	Otis	Skoglund	
Elioff	Larsen	Peterson	Solberg	

The motion did not prevail and the amendment was not adopted.

Olsen, Sviggum, Findlay and Thiede moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 77, after line 18, insert:

#### "ARTICLE 11

Section 1. Minnesota Statutes 1982, section 290.06, is amended by adding a subdivision to read:

*Subd. 16. [CREDIT FOR HOME CARE OF THE ELDERLY.] (a) A credit against the tax imposed under this chapter shall be allowed to an individual taxpayer with respect to food, clothing, medical care except medical expenses deductible pursuant to section 290.089, subdivision 2, and transportation expenses paid or incurred by the taxpayer during the taxable year on behalf of a qualified individual, other than the taxpayer, in order to maintain the individual in the private home of either the taxpayer or of the qualified individual. The amount of the taxpayer's credit for each qualified individual shall be the amount computed under clause (b). The credit shall be allowed in addition to any credits under section 290.06, subdivision 3f, allowed to a taxpayer on account of a qualified individual. The credit shall be refundable.*

*(b) The amount of the taxpayer's credit for each qualified individual shall be the lesser of:*

*(1) 25 percent of the expenses paid or incurred during the taxable year; or*

*(2) \$600 if the income of the qualified individual for the taxable year as defined in section 290A.03, subdivision 3, is within the income eligibility requirements of section 256B.06.*

(c) For purposes of this subdivision a qualified individual means an individual (1) of at least 65 years of age at the end of the taxable year; (2) who is eligible for medical assistance and who meets the eligibility requirements of section 256B.06; (3) whose health and social services needs have been assessed by a nursing home pre-admission screening team pursuant to section 256B.091 or, if a screening team is not operating in the county in which the qualified individual resides, by the designated agent of the local board of health or, if no local board of health is operating in the county, by the designated agent of the county board; and (4) who has been recommended by the screening team or other designated agent as eligible for placement in a nursing home or in need of identified services to maintain the person outside of an institution.

(d) If the taxpayer is receiving a stipend or grant for food, clothing, medical care, or transportation expenses of the qualified individual pursuant to section 256B.091 or 256B.51, the amount of the expenses paid or incurred during the taxable year shall be reduced by the amount of the stipends or grants received during the taxable year.

(e) The determination of the local screening team or other designated agent shall be final for purposes of determining eligibility for the taxable year in which the assessment was made. An individual may request reassessment in order to determine qualification for this credit for the taxable year or for a succeeding taxable year, provided that the local screening team or other designated agent may require that reassessments shall not be made at intervals of less than one year, absent an affirmative showing of a change in health or social services needs.

(f) The department of revenue, after consultation with the department of public welfare and the department of health, may provide a form for the certification of the needs assessment by the local screening team or other designated agent, and may require that the form be filed with any return filed by the taxpayer initially claiming the credit for the qualified individual. If the form is required, the commissioner of revenue shall provide an adequate supply of forms to each local screening team or designated agent.

An individual who meets the requirements of clauses (c)(3) and (c)(4) for a taxable year shall be considered qualified for purposes of clauses (c)(3) and (c)(4) for succeeding taxable years, provided that the commissioner of revenue may require that an individual's qualifications pursuant to clauses (c)(3) and (c)(4) be reassessed. If the individual refuses to submit to the reassessment or a negative recommendation is received under clause (c)(4), the individual shall not be qualified under this clause for the taxable year for which the commissioner re-

*quired the reassessment or for succeeding taxable years until all the qualifications contained in clause (c) are met by the individual.*

*For the taxable year beginning after December 31, 1983, and prior to January 1, 1985, an individual shall be considered qualified for purposes of clauses (c)(3) and (c)(4) if the requirements of clauses (c)(3) and (c)(4) are met on or before the time prescribed by law for filing the return for the taxable year, including extensions. For all other taxable years, the requirements of clauses (c)(3) and (c)(4) shall be met by the close of the taxable year for which the taxpayer first claims the credit.*

**Sec. 2. [EFFECTIVE DATE.]**

*Section 1 is effective for taxable years beginning after December 31, 1983."*

Amend the title as follows :

Page 2, line 12, after the semicolon insert "providing an income tax credit for home care of the elderly;"

Page 2, line 20, delete "a subdivision" and insert "subdivisions"

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 57 yeas and 69 nays as follows :

Those who voted in the affirmative were :

Anderson, R.	Evans	Hokr	Onnen	Sherman
Bennett	Findlay	Jennings	Pauly	Sviggum
Bishop	Fjoslien	Johnson	Piepho	Thiede
Blatz	Forsythe	Knickerbocker	Quinn	Uphus
Boo	Frerichs	Krueger	Quist	Valan
Burger	Gruenes	Kvam	Redalen	Valento
Carlson, D.	Gutknecht	Levi	Reif	Waltman
Cohen	Halberg	Marsh	Rose	Wigley
Dempsey	Haukoos	McDonald	Schafer	Zaffke
DenOuden	Heap	McKasy	Schreiber	
Dimler	Heinitz	Olsen	Seaborg	
Erickson	Himle	Omann	Shaver	

Those who voted in the negative were :

Anderson, B.	Begich	Carlson, L.	Elioff	Gustafson
Anderson, G.	Bergstrom	Clark, J.	Ellingson	Hoffman
Battaglia	Brandl	Clawson	Graba	Jacobs
Beard	Brinkman	Coleman	Greenfield	Jensen

Kahn	Metzen	Otis	Sarna	Tunheim
Kalis	Minne	Peterson	Scheid	Vanasek
Kelly	Munger	Piper	Segal	Vellenga
Knuth	Murphy	Price	Simoneau	Voss
Kostohryz	Nelson, D.	Rice	Skoglund	Welch
Larsen	Nelson, K.	Riveness	Solberg	Welle
Long	Norton	Rodosovich	Sparby	Wenzel
Ludeman	O'Connor	Rodriguez, C.	Staten	Wynia
Mann	Ogren	Rodriguez, F.	Swanson	Speaker Sieben
McEachern	Osthoff	St. Onge	Tomlinson	

The motion did not prevail and the amendment was not adopted.

Waltman, Sviggum, Redalen and Valan moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 77, after line 18, insert:

#### "ARTICLE 11

Section 1. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20a, is amended to read:

Subd. 20a. [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) 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;

(3) 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;

(4) 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;

(5) 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 under Minnesota Statutes 1982, section 290.01, subdivision 20b, clause (7);

(6) Expenses and losses arising from a farm which are not allowable under section 290.09, subdivision 29;

(7) Expenses and depreciation attributable to substandard buildings disallowed by section 290.101;

(8) 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;

(9) 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;

(10) 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;

(11) 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;

(12) 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;

(13) 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 equity investment credit contained in section 290.069, subdivision 4, and to property acquired in exchange for the release of the taxpayer's marital rights contained in section 290.14, clause (7);

(14) 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;

(15) 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);

(16) The deduction for two-earner married couples provided in section 221 of the Internal Revenue Code of 1954;

(17) 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;

(18) Expenses and depreciation attributable to property subject to Laws 1982, chapter 523, article 7, section 3 which has not been registered;

(19) The amount of contributions to an individual retirement account, including a qualified voluntary employee contribution, simplified employee pension plan, or self-employed retirement plan which is allowed under sections 311 and 312 of Public Law Number 97-34, section 238 of Public Law Number 97-248, and section 103(d)(1)(B) of Public Law Number 97-448 to the extent those contributions were not an allowable deduction prior to the enactment of that law; and

(20) To the extent not included in the taxpayer's federal adjusted gross income, the amount of any contributions to a qualified pension plan, designated as employee contributions but which the employing unit picks up and which are treated as employer contributions pursuant to section 414(h)(2) of the Internal Revenue Code of 1954;

*(21) 50 percent of any expenses arising from agricultural land for which a deduction is allowed under section 3, subdivision 4; and*

*(22) amounts previously deducted pursuant to section 3, subdivision 4, and required to be included under section 3, subdivision 7, due to termination of a lease.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b, is amended to read:

Subd. 20b. [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 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) 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, (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, or (iii) severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, provided that the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site. 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. For purposes of this clause, "severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future. 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) 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;

(8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(10) 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 subdivision 20b, clause (6);

(11) 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 subdivision 20b, clause (6);

(12) 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;

(13) 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;

(14) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(15) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17;

(16) Interest earned on a contract for deed entered into for the sale of property for agricultural use if the rate of interest set in the contract is no more than 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 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;

(17) 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;

(18) To the extent included in federal adjusted gross income, distributions from a qualified governmental pension plan which represent a return of designated employee contributions to the plan and which contributions were included in gross income pursuant to subdivision 20a, clause (20); (AND)

(19) To the extent included in federal adjusted gross income, distributions from an individual retirement account which

represent a return of designated employee contributions if the contributions were included in gross income pursuant to subdivision 20a, clause (19). The distribution shall be allocated first to return of contributions included in gross income until the amount of the contributions has been exhausted; and

(20) *Interest earned on capital gains or income recognized on the sale of agricultural land or income received from the rental of agricultural land, as allowed in section 3.*

**Sec. 3. [290.0881] [DEDUCTIONS FOR SALE OR RENTAL OF AGRICULTURAL LAND.]**

*Subdivision 1. [DEFINITIONS.] (a) "Agricultural land" means land which is or has been devoted for the last five years to agricultural purposes and includes any agricultural buildings or an agricultural homestead located thereon. Wetlands, naturally vegetated lands, and woodlands contiguous to or surrounded by agricultural lands are agricultural lands if under the same ownership or management during the period of agricultural use.*

*(b) "Agricultural purposes" means the production of vegetables, forage, grains, and other agricultural crops, livestock or livestock products, dairy animals or dairy products, poultry or poultry products, horticultural and nursery stock, fruit, or bees and apiary products.*

*(c) "Beginning farmer" means any person who is a United States citizen and Minnesota resident; who provides proof of participation in a farm management program; who uses or intends to use the agricultural land purchased or rented exclusively for agricultural purposes; who has with the assistance of the local soil and water conservation office prepared a plan for the farm rented or purchased; and who has, including spouse and dependents, a total net worth valued at less than \$125,000, adjusted as provided in subdivision 6.*

*(d) "Landowner" means a partner, family farm corporation, or an authorized farm corporation as defined in section 500.24, subdivision 2, which owns agricultural land, or an individual who is a United States citizen or permanent resident alien who owns agricultural land, except that any partner, family farm corporation, authorized farm corporation, or individual that acquires agricultural land for the purpose of obtaining the income tax deduction provided for in this section shall not be deemed to be a landowner.*

*(e) "Seller-sponsored loan" has the meaning given it in section 41.52, subdivision 8.*

*(f) "Rental income" means income, whether in cash or in crops, from the rental of at least 80 acres of agricultural land*

*pursuant to a written lease of at least two years duration. If the lease provides for rent payment in crops, the amount of rental income is the cash value of the crops at the time they are received by the landowner. Crops are received by the landowner when the landowner has control over them or when the landowner can demand their payment under the lease.*

*Subd. 2. [CAPITAL GAINS DEDUCTION.] To the extent included in federal adjusted gross income, there shall be allowed as a subtraction from the federal adjusted gross income of any landowner, 50 percent of capital gains or income recognized and otherwise taxable on the sale of agricultural land consisting of 80 acres or more to a beginning farmer for agricultural purposes.*

*The deduction shall apply only to capital gains recognized in the taxable year during which the sale occurred. The deduction shall not apply to that portion of capital gains recognized and included in federal adjusted gross income which exceeds \$50,000.*

*Subd. 3. [DEDUCTION FOR INTEREST ON SALE WITH SELLER-SPONSORED LOAN.] There shall be allowed as a subtraction from the federal adjusted gross income of any landowner interest income earned on the sale of at least 80 acres of agricultural land with a seller-sponsored loan to a beginning farmer for agricultural purposes.*

*This subdivision shall apply only if the following conditions are met:*

*(1) The loan will be completely amortized in 20 years or more with even payments of interest and principal and no balloon payment at the end, or the loan is amortized for 20 years with a balloon payment in ten years or less;*

*(2) The loan has an annual imputed interest rate equal to the minimum rate allowed by the Internal Revenue Service for transactions between nonrelated parties to meet installment sales requirements; and*

*(3) The interest is not excludable under section 41.58, subdivision 3.*

*Subd. 4. [DEDUCTION FOR RENTAL INCOME.] There shall be allowed as a subtraction from federal adjusted gross income 50 percent of the rental income of a landowner from the rental to a beginning farmer of agricultural land used for agricultural purposes, however, no deduction is allowed for rental income exceeding \$10,000 per year, and the excess shall be treated as ordinary income.*

*No landowner may claim this deduction for leases with more than one beginning farmer from rentals on the same tract or*

parcel of land or from rentals to any member of the landowner's immediate family. The rental stated in the lease must be equal to or less than the prevailing free market gross rental rate for that grade of land as determined for property tax purposes for assessments made on January 2 of the year in which the lease is executed. The lease may provide that the rental rate shall be related to the prevailing free market gross rental rate as determined for each year. The taxpayer must certify on the return that no rental agreement with any other person was cancelled for the purpose of qualifying for the deduction provided in this subdivision.

*Subd. 5. [QUALIFICATION.] In order to qualify for any of the deductions provided in this section, the taxpayer shall file with the first income tax return on which the taxpayer claims a deduction under this section with respect to each sale or lease a notarized statement from the beginning farmer who purchased or rented the land. The statement shall contain a list of the assets, debts, and net worth of the beginning farmer together with any other information required by the commissioner of revenue.*

*Subd. 6. [NET WORTH ADJUSTMENT.] The maximum net worth allowed for qualification as a beginning farmer shall be annually adjusted by the percentage used to adjust the tax brackets as provided in section 290.06, subdivision 2d. The percentage announced by the commissioner in October under section 290.06, subdivision 2d, shall be the percentage by which the maximum net worth amount is increased for sales occurring or leases first occurring during the following calendar year.*

*Subd. 7. [EARLY TERMINATION OF LEASE.] If a lease is terminated by a land owner prior to expiration of the three-year period, there shall be added to gross income for the taxable year in which the lease was terminated amounts deducted in previous years pursuant to subdivision 4, to the extent that the deduction resulted in a tax benefit.*

#### Sec. 4. [EFFECTIVE DATE.]

*This article is effective for the sale or rental of agricultural land after July 1, 1984."*

Amend the title as follows:

Page 1, line 18, after "1985;" insert "providing for the treatment of costs arising from certain agricultural land activities;"

Page 2, line 19, after "290.01," delete "subdivision" and insert "subdivisions 20a, 20b, and"

Page 2, line 43, after "chapters" insert "290,"

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 did not prevail.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 60 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Fjoslien	Johnson	Pauly	Sherman
Bennett	Forsythe	Knickerbocker	Piepho	Sviggum
Bishop	Frerichs	Kvam	Quist	Thiede
Blatz	Gruenes	Levi	Redalen	Tunheim
Boo	Gutknecht	Ludeman	Reif	Uphus
Burger	Halberg	Marsh	Rose	Valan
Carlson, D.	Haukoos	McDonald	Schafer	Valento
Dempsey	Heap	McKasy	Schoenfeld	Waltman
DenOuden	Heinitz	Neuenschwander	Schreiber	Welker
Erickson	Himle	Olsen	Seaberg	Wenzel
Evans	Hokr	Omann	Shaver	Wigley
Findlay	Jennings	Onnen	Shea	Zaffke

Those who voted in the negative were:

Anderson, B.	Elioff	Mann	Price	Staten
Anderson, G.	Ellingson	McEachern	Quinn	Swanson
Battaglia	Graba	Metzen	Rice	Tomlinson
Beard	Greenfield	Minne	Riveness	Vanasek
Begich	Gustafson	Murphy	Rodosovich	Vellenga
Bergstrom	Jacobs	Nelson, D.	Rodriguez, F.	Voss
Brandl	Jensen	Nelson, K.	St. Onge	Welch
Brinkman	Kahn	Norton	Sarna	Welle
Carlson, L.	Kelly	O'Connor	Scheid	Wynia
Clark, J.	Knuth	Ogren	Segal	Speaker Sieben
Clark, K.	Kostohryz	Osthoff	Simoneau	
Clawson	Krueger	Otis	Skoglund	
Cohen	Larsen	Peterson	Solberg	
Coleman	Long	Piper	Sparby	

The motion did not prevail and the amendment was not adopted.

Kvam moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 56, line 30, after the period, insert *"The auditor shall also list the number of property tax statements which were revised as a result of the change in the maximum \$4,000 agricultural aid limitation. The commissioner shall reimburse the county \$10 for each revised statement for the administrative expenses incurred as a result of the recomputations pursuant to this section.*

*There is appropriated from the general fund to the commissioner of revenue the amount necessary to make these payments to the county."*

The motion prevailed and the amendment was adopted.

Frerichs, Johnson, Erickson, McKasy, Wigley and Sviggum moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 38, line 7, strike "1987" and insert "1985"

Page 38, line 15, strike "1987" and insert "1985"

Page 38, line 15, strike "1989" and insert "1987"

Page 38, line 23, strike "1989" and insert "1987"

Page 38, line 23, strike "1991" and insert "1989"

Page 38, line 31, strike "1991" and insert "1989"

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 64 yeas and 64 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Findlay	Johnson	Omann	Shaver
Anderson, G.	Fjoslien	Kalis	Onnen	Shea
Anderson, R.	Forsythe	Knickerbocker	Pauly	Sherman
Bennett	Frerichs	Krueger	Piepho	Sviggum
Bishop	Graba	Kvam	Quist	Thiede
Blatz	Grunes	Levi	Redalen	Uphus
Boo	Gutknecht	Ludeman	Reif	Valan
Burger	Halberg	Marsh	Rodosovich	Valento
Dempsey	Haukoos	McDonald	Rose	Voss
DenOuden	Heap	McKasy	Schafer	Welker
Dimler	Heinitz	Metzen	Schoenfeld	Wigley
Erickson	Himle	Neuenschwander	Schreiber	Zaffke
Evans	Jennings	Olsen	Seaberg	

Those who voted in the negative were:

Battaglia	Brandl	Clark, J.	Coleman	Gustafson
Beard	Brinkman	Clark, K.	Elioff	Hoffman
Begich	Carlson, D.	Clawson	Ellingson	Jacobs
Bergstrom	Carlson, L.	Cohen	Greenfield	Jensen



Kahn	Munger	Piper	Scheid	Tunheim
Kelly	Murphy	Price	Segal	Vanasek
Knuth	Nelson, K.	Quinn	Simoneau	Vellenga
Kostohryz	Norton	Rice	Skoglund	Welch
Larsen	O'Connor	Riveness	Solberg	Welle
Long	Ogren	Rodrigucz, C.	Sparby	Wenzel
Mann	Osthoff	Rodriguez, F.	Staten	Wynia
McEachern	Otis	St. Onge	Swanson	Speaker Sieben
Minne	Peterson	Sarna	Tomlinson	

The motion did not prevail and the amendment was not adopted.

Schreiber and Gutknecht moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Page 77, after line 18, insert:

#### "ARTICLE 11

Section 1. Minnesota Statutes 1983 Supplement, section 290.-07, subdivision 1, is amended to read:

Subdivision 1. [ANNUAL ACCOUNTING PERIOD.] Net income and taxable net income shall be computed upon the basis of the taxpayer's annual accounting period. If a taxpayer has no annual accounting period, or has one other than a fiscal year, as heretofore defined, the net income and taxable net income shall be computed on the basis of the calendar year. Taxpayers shall employ the same accounting period on which they report, or would be required to report, their net income under the Internal Revenue Code. (THE COMMISSIONER SHALL PROVIDE BY RULE FOR THE DETERMINATION OF THE ACCOUNTING PERIOD FOR TAXPAYERS WHO FILE A COMBINED REPORT UNDER SECTION 290.34, SUBDIVISION 2, WHEN MEMBERS OF THE GROUP USE DIFFERENT ACCOUNTING PERIODS FOR FEDERAL INCOME TAX PURPOSES. UNLESS THE TAXPAYER CHANGES ITS ACCOUNTING PERIOD FOR FEDERAL PURPOSES, THE DUE DATE OF THE RETURN IS NOT CHANGED.)

A taxpayer may change his accounting period only with the consent of the commissioner. In case of any such change, he shall pay a tax for the period not included in either his former or newly adopted taxable year, computed as provided in section 290.32.

Sec. 2. Minnesota Statutes 1982, 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 1983 Supplement, section 290.17, subdivision 2, is amended to read:

Subd. 2. [OTHER TAXPAYERS.] In the case of taxpayers not subject to the provisions of subdivision 1, items of gross income shall be assigned to this state or other states or countries in accordance with the following principles:

(1) (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 com-

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 from winnings on Minnesota pari-mutuel betting tickets shall be assigned to 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 or is a resident trust or estate.

(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 EXCEPT FOR BUSINESS INCOME SUBJECT TO THE PROVISIONS OF CLAUSE (1) AND FARM INCOME SUBJECT TO THE PROVISIONS OF CLAUSE (2). THE TERM "UNITARY BUSINESS" SHALL MEAN 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 BUT THE ABSENCE OF THESE CENTRALIZED ACTIVITIES WILL NOT NECESSARILY EVIDENCE A NONUNITARY BUSINESS. UNITY OF OWNERSHIP WILL NOT BE DEEMED TO EXIST WHEN A CORPORATION IS INVOLVED UNLESS THAT CORPORATION IS A MEMBER OF A GROUP OF TWO OR MORE CORPORATIONS MORE THAN 50 PERCENT OF THE VOTING STOCK OF EACH MEMBER OF THE GROUP IS DIRECTLY OR INDIRECTLY OWNED BY A COMMON OWNER OR BY COMMON OWNERS, EITHER CORPORATE OR NONCORPORATE, OR BY ONE OR MORE OF THE MEMBER CORPORATIONS OF THE GROUP.)

(THE ENTIRE INCOME OF A UNITARY BUSINESS 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) 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, 1981, 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.

(6) All other items of gross income shall be assigned to the taxpayer's domicile.

Sec. 4. Minnesota Statutes 1983 Supplement, section 290.21, subdivision 4, 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.

The dividend deduction provided in this subdivision does not apply to a dividend from a corporation which, for the taxable year of the corporation in which the distribution is made or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 of the Internal Revenue Code of 1954, as amended through December 31, 1982.

The dividend deduction provided in this subdivision applies to the amount of regulated investment company dividends only to the extent determined under section 854(b) of the Internal Revenue Code of 1954, as amended through December 31, 1982.

(D) 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. 5. Minnesota Statutes 1983 Supplement, section 290.34, subdivision 2, is amended to read:

Subd. 2. [AFFILIATED OR RELATED CORPORATIONS, (COMBINED REPORT) *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, (IS) *are* necessary in order to determine the taxable net income 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, 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, THE DISTRICT OF COLUMBIA, THE COMMONWEALTH OF PUERTO RICO, ANY POSSESSION OF THE UNITED STATES, OR ANY POLITICAL SUBDIVISION OF ANY OF THE FOREGOING. ALL INTER-COMPANY TRANSACTIONS BETWEEN COMPANIES WHICH ARE CONTAINED ON THE COMBINED REPORT SHALL BE ELIMATED. THIS SUBDIVISION SHALL NOT APPLY TO INSURANCE COMPANIES WHOSE INCOME IS DETERMINED UNDER SECTION 290.35 OR TO INVESTMENT COMPANIES WHOSE INCOME IS DETERMINED UNDER SECTION 290.36.)

Sec. 6. Minnesota Statutes 1982, section 290.34, is amended by adding a subdivision to read:

*Subd. 5. [AFFILIATED CORPORATIONS, CONSOLIDATED RETURNS.] An affiliated group of corporations, all the members of which are required to file income tax returns under the provisions of this chapter, may file a consolidated return in lieu of separate returns if any income of each of the members of the affiliated group including the common parent, if any, is assignable to this state under the provisions of this chapter, or if the group of corporations files a federal consolidated income tax return pursuant to Section 1501 of the Internal Revenue Code of 1954, as amended through December 31, 1983. However, no group of corporations filing separate federal income tax returns shall file a Minnesota consolidated return. In the case of a corporation which is a member of the affiliated group for a fractional part of the taxable year, the consolidated return must include the income of such corporation for such part of the year as it is a member of the affiliated group. The consolidated net income of the affiliated group must be determined in accordance with rules prescribed by the commissioner.*

Sec. 7. [REPEALER.]

*Minnesota Statutes 1982, section 290.06, subdivision 15; and Laws 1982, chapter 523, article XXIX, section 6, are repealed.*

Sec. 8. [EFFECTIVE DATE.]

*Sections 1 to 7 are effective for taxable years beginning after December 31, 1983."*

Amend the title as follows:

Page 2, line 12, after the semicolon insert "repealing the unitary method of apportioning the income of multistate businesses for income tax purposes; allowing corporations to file a consolidated return;"

Page 2, line 20, after the semicolon insert "290.095, subdivision 3;"

Page 2, line 21, after the second semicolon insert "290.34, by adding a subdivision;"

Page 2, line 32, after "11;" insert "290.07, subdivision 1;"

Page 2, line 33, after "29;" insert "290.17, subdivision 2;"

Page 2, line 34, after "4;" insert "290.34, subdivision 2;"



Page 2, line 44, after the first semicolon, insert "section 290.06, subdivision 15;"

Page 2, line 50, after the semicolon insert "Laws 1982, chapter 523, article XXIX, section 6;"

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 58 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Evans	Hokr	Onnen	Sherman
Bennett	Findlay	Jennings	Pauly	Sviggum
Bishop	Fjoslien	Johnson	Piepho	Thiede
Blatz	Forsythe	Knickerbocker	Quist	Uphus
Boo	Frerichs	Kvam	Redalen	Valan
Burger	Gruenes	Levi	Reif	Valento
Carlson, D.	Gutknecht	Ludeman	Rodriguez, C.	Waltman
Cohen	Halberg	Marsh	Rose	Welker
Dempsey	Haukoos	McDonald	Schafer	Wigley
DenOuden	Heap	McKasy	Schreiber	Zaffke
Dimler	Heinitz	Olsen	Seaberg	
Erickson	Himle	Omann	Shaver	

Those who voted in the negative were:

Anderson, B.	Graba	Metzen	Quinn	Staten
Anderson, G.	Greenfield	Minne	Rice	Swanson
Battaglia	Gustafson	Munger	Riveness	Tomlinson
Beard	Hoffman	Murphy	Rodosovich	Tunheim
Begich	Jacobs	Nelson, K.	Rodriguez, F.	Vanasek
Bergstrom	Jensen	Neuenschwander	St. Onge	Voss
Brandl	Kahn	Norton	Sarna	Welch
Carlson, L.	Kalis	O'Connor	Scheid	Welle
Clark, J.	Kelly	Ogren	Schoenfeld	Wenzel
Clark, K.	Knuth	Osthoff	Segal	Wynia
Clawson	Krueger	Otis	Simoneau	Speaker Sieben
Coleman	Larsen	Peterson	Skoglund	
Elioff	Mann	Piper	Solberg	
Ellingson	McEachern	Price	Sparby	

The motion did not prevail and the amendment was not adopted.

Schreiber, Olsen, DenOuden, Valento, Dempsey, Frerichs, Findlay, Valan, Bennett, Waltman, Burger, Seaberg and Dimler moved to amend H. F. No. 2016, the first engrossment, as amended, as follows:

Pages 39 to 41, delete section 1

Page 41, line 5, delete "Sec. 2." and insert "Section 1."

Page 42, line 8, delete "3" and insert "2"

Page 42, line 26, delete "4" and insert "3"

Pages 43 to 46, delete sections 5 and 6

Page 46, line 2, delete "7" and insert "4"

Page 46, line 34, delete "8" and insert "5"

Page 47, line 26, delete "9" and insert "6"

Page 47, line 34, delete "10" and insert "7"

Page 48, line 15, delete "11" and insert "8"

Page 48, line 36, delete "12" and insert "9"

Page 49, line 11, delete "13" and insert "10"

Page 49, line 18, delete "14" and insert "11"

Page 49, line 30, delete "15" and insert "12"

Page 50, line 17, delete "16" and insert "13"

Page 50, line 20, delete "17" and insert "14"

Page 50, delete lines 21 to 23

Page 50, line 24, delete *"percentage increases in section 1 and"*

Page 50, line 24, delete *"2 to 8 and 16"* and insert *"1 to 5 and 13"*

Page 50, line 26, delete "9" and insert "6"

Page 50, line 28, delete *"10 to 14"* and insert *"7 to 11"*

Page 50, line 29, delete "15" and insert "12"

Page 77, after line 18, insert:

#### "ARTICLE 11

Section 1. Minnesota Statutes 1983 Supplement, section 124.2122, subdivision 2, 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 .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. The basic maintenance mill rate shall be .024 for the 1983 payable 1984 levies and for foundation aid for the 1984-1985 school year. *The basic maintenance mill rate shall be .022 for the 1984 payable 1985 levies and for foundation aid for the 1985-1986 school year.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 124.2137, 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 (29) 50 percent of the tax levy imposed on up to 320 acres of land including the buildings and structures thereon but excluding the homestead dwelling and surrounding one acre of land. (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 13 PERCENT OF THE TAX LEVY IMPOSED 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 TEN PERCENT OF THE TAX LEVY IMPOSED 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 EQUAL TO 13 PERCENT OF THE TAX IMPOSED 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, and all agricultural lands in excess of 320 acres classified pursuant to section 273.13, subdivision 6, except the homestead dwelling and surrounding one acre of land, shall be reduced by an amount equal to ten percent of the tax levy imposed on the property. The amounts so computed by the county auditor shall be submitted to the commissioner of revenue as part of the abstracts of tax lists required to be filed with the commissioner under the provisions of section 275.29. Any prior year adjustments shall also be certified in the abstracts of tax lists. The commissioner of revenue shall review the certifications to determine their accuracy. He may make changes in the certification as he may deem necessary or return a

certification to the county auditor for corrections. (THE AMOUNT OF THE REDUCTION PROVIDED UNDER THIS SUBDIVISION WHICH ANY TAXPAYER CAN RECEIVE ON ALL QUALIFYING PROPERTY WHICH HE OWNS SHALL NOT EXCEED \$2,000 IN THE CASE OF AGRICULTURAL PROPERTY AND SHALL NOT EXCEED \$100 IN THE CASE OF SEASONAL RESIDENTIAL RECREATIONAL PROPERTY. IN THE CASE OF PROPERTY OWNED BY MORE THAN ONE PERSON, THE MAXIMUM AMOUNT OF THE REDUCTION SHALL APPLY TO THE TOTAL OF ALL THE OWNERS.) For purposes of computing the credit pursuant to this subdivision, the "tax levy" shall be the tax levy reduced by the credits provided by sections 273.115, 273.116, 273.123, 273.42, subdivision 2, and 473H.10.

Sec. 3. Minnesota Statutes 1982, section 273.13, subdivision 2, is amended to read:

Subd. 2. [CLASS 1.] Iron ore, whether mined or unmined, shall constitute class 1 and shall be valued and assessed at 50 percent of its value. If unmined, it shall be assessed with and as a part of the real estate in which it is located, but at the rate aforesaid. Iron ore which either (a) is mined by underground methods and either placed in stockpile or concentrated and placed in stockpile or (b) is mined by open-pit methods and, in accordance with good engineering and metallurgical practice, requires concentration other than crushing or screening or both to make it suitable for commercial blast furnace use, and is either placed in stockpile for the purpose of concentration in the course of a concentration operation, or is concentrated and placed in stockpile, for three taxable years after being mined only, shall be listed and assessed in the taxing district where mined at the same amount per ton as it would be assessed if still unmined, except that if such ore contains phosphorous in excess of .180 percent or is classified in the trade as manganiferous ore, then irrespective of whether it requires such concentration or has been so concentrated it shall be so listed and assessed as if it were unmined ore for five taxable years after being mined only, and thereafter such ore in stockpiles shall be valued and assessed as mined iron ore, as otherwise provided by law. The real estate in which iron ore is located, other than the ore, shall be classified and assessed in accordance with the provisions of classes 3, 3b, and 4, as the case may be. In assessing any tract or lot of real estate in which iron ore is known to exist the assessable value of the ore exclusive of the land in which it is located, and the assessable value of the land exclusive of the ore shall be determined and set down separately and the aggregate of the two shall be assessed against the tract or lot.

[CLASS 1A.] All direct products of the blast and open hearth furnaces that are utilized in the form produced and are not further processed, shall constitute class 1a and shall be valued and assessed at (15) 14 percent of the market value thereof.

Sec. 4. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 4, is amended to read:

Subd. 4. [CLASS 3.] (a) Tools, implements and machinery of an electric generating, transmission or distribution system or a pipeline system transporting or distributing water, gas, or petroleum products or mains and pipes used in the distribution of steam or hot or chilled water for heating or cooling buildings, which are fixtures, all agricultural land, except as provided by classes 1, 3b, 3e, shall constitute class 3 and shall be valued and assessed at  $(33-1/3)$  35 percent of the market value thereof, except as provided in clause (b). All buildings and structures assessed as personal property and situated upon land of the state of Minnesota or the United States government which is rural in character and devoted or adaptable to rural but not necessarily agricultural use shall be assessed based upon the use made of the building or structure. Except as provided in subdivision 5a, all real property devoted to temporary and seasonal residential occupancy for recreational purposes, and which is not devoted to commercial purposes for more than 200 days in the year preceding the year of assessment, shall be class 3 property and assessed accordingly. For this purpose, property is devoted to commercial use on a specific day if it is used, or offered for use, and a fee is charged for such use. Class 3 shall also include commercial use real property used exclusively for recreational purposes in conjunction with class 3 property devoted to temporary and seasonal residential occupancy for recreational purposes, up to a total of two acres, provided the property is not devoted to commercial recreational use for more than 200 days in the year preceding the year of assessment and is located within two miles of the class 3 property with which it is used.

(b) Agricultural land which is classified as class 3 shall be assessed at (19) 14 percent of its market value. Real property devoted to temporary and seasonal residential occupancy for recreation purposes which is classified as class 3 shall be assessed at 21 percent (OF ITS) *on the first \$60,000 market value and 28 percent on the remainder of the market value.*

Sec. 5. Minnesota Statutes 1982, section 273.13, subdivision 5a, is amended to read:

Subd. 5a. [CLASS 3A.] Class 3a shall constitute commercial use real property which abuts a lakeshore line and is devoted to temporary and seasonal residential occupancy for recreational purposes but not devoted to commercial purposes for more than 200 days in the year preceding the year of assessment, which includes a portion used as a homestead by the owner, with the following limitations: *the homestead dwelling and surrounding acre of land must be assessed pursuant to subdivision 7 as if it were class 3c property and shall receive the homestead credit pursuant to subdivision 7; the additional area of the property which shall be included in class 3a shall not exceed 100 feet of*

lakeshore footage for each cabin or campsite located on the property, up to a total of 800 feet, and 500 feet in depth measured away from the lakeshore. *Other than the homestead dwelling and surrounding one acre of land*, class 3a shall be assessed at (12) 14 percent of the market value thereof (IN 1980, FOR TAXES PAYABLE IN 1981, AND THEREAFTER). The remainder of the parcel shall be classified and assessed according to the provisions of subdivision 4.

Sec. 6. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 6, is amended to read:

Subd. 6. [CLASS 3B.] Agricultural land, except as provided by class 1 hereof, and which is used for the purposes of a homestead shall constitute class 3b and shall be valued and assessed as follows: the (FIRST \$60,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT 14 PERCENT) *homestead dwelling and surrounding one acre of land, not including any farm buildings or structures, must be assessed pursuant to subdivision 7 as if it were class 3c property*; the remaining market value shall be valued and assessed at (19) 14 percent. (THE MAXIMUM AMOUNT OF THE MARKET VALUE OF THE HOMESTEAD BRACKET SUBJECT TO THE 14 PERCENT RATE SHALL BE ADJUSTED BY THE COMMISSIONER OF REVENUE AS PROVIDED IN SECTION 273.1311.) The property tax to be paid on (CLASS 3B PROPERTY AS OTHERWISE DETERMINED BY LAW) *the homestead dwelling and surrounding one acre of land, not including any farm buildings or structures, less any proportionate reduction received pursuant to sections (124.2137,) 273.123, 273.135, and 473H.10, shall be reduced by (54) 50 percent of the tax; provided that the amount of the reduction shall not exceed (\$650) \$700. Noncontiguous land shall constitute class 3b only if the homestead is classified as class 3b and the detached land is located in the same township or city or not farther than two townships or cities or combination thereof from the homestead. The first \$12,000 market value of each tract of real estate which is rural in character and devoted or adaptable to rural but not necessarily agricultural use, used for the purpose of a homestead shall be exempt from taxation for state purposes: except as specifically provided otherwise by law.*

Agricultural land as used herein, and in section 124.2137, shall mean contiguous acreage of ten acres or more, primarily used during the preceding year for agricultural purposes. Agricultural use may include pasture, timber, waste, unusable wild land and land included in federal farm programs.

Real estate of less than ten acres used principally for raising poultry, livestock, fruit, vegetables or other agricultural products, shall be considered as agricultural land, if it is not used primarily for residential purposes.

The assessor shall determine and list separately on his records the market value of the homestead dwelling and the one acre of land on which that dwelling is located. If any farm buildings or structures are located on this homesteaded acre of land, their market value shall not be included in this separate determination.

Sec. 7. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 6a, is amended to read:

Subd. 6a. [HOMESTEAD OWNED BY FAMILY FARM CORPORATION OR PARTNERSHIP.] ((A)) Each family farm corporation and each partnership operating a family farm shall be entitled to class 3b assessment and shall be eligible for the credit provided in subdivision 6 for (ONE) *each* homestead occupied by a shareholder or partner thereof who is residing on the land and actively engaged in farming of the land owned by the corporation or partnership. The homestead shall be assessed as provided in subdivision 6, notwithstanding the fact that legal title to the property may be in the name of the corporation or partnership and not in the name of the person residing thereon. "Family farm corporation" and "family farm" shall mean as defined in section 500.24.

((B) IN ADDITION TO PROPERTY SPECIFIED IN PARAGRAPH (A), ANY OTHER RESIDENCES OWNED BY CORPORATIONS OR PARTNERSHIPS DESCRIBED IN PARAGRAPH (A) WHICH ARE LOCATED ON AGRICULTURAL LAND AND OCCUPIED AS HOMESTEADS BY SHAREHOLDERS OR PARTNERS WHO ARE ACTIVELY ENGAGED IN FARMING ON BEHALF OF THE CORPORATION OR PARTNERSHIP SHALL ALSO BE ASSESSED AS CLASS 3B PROPERTY, AND BE ENTITLED TO THE CREDIT PROVIDED IN SUBDIVISION 6, BUT THE PROPERTY ELIGIBLE SHALL BE LIMITED TO THE RESIDENCE ITSELF AND AS MUCH OF THE LAND SURROUNDING THE HOMESTEAD, NOT EXCEEDING ONE ACRE, AS IS REASONABLY NECESSARY FOR THE USE OF THE DWELLING AS A HOME, AND SHALL NOT INCLUDE ANY OTHER STRUCTURES THAT MAY BE LOCATED THEREON.)

Sec. 8. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 7, is amended to read:

Subd. 7. [CLASS 3C (, 3CC).] All other real estate and class 2a property, except as provided by (CLASSES) *class 1* (AND 3CC,) which is used for the purposes of a homestead, shall constitute class 3c, and shall be valued and assessed as follows: the first (\$30,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT 17 PERCENT; THE NEXT \$30,000) \$60,000 of market value shall be valued and assessed at (19) 21 percent; and the remaining market value shall be valued and as-

sessed at (30) 28 percent. (THE MAXIMUM AMOUNTS OF THE MARKET VALUE OF THE HOMESTEAD BRACKETS SUBJECT TO THE 17 PERCENT AND 19 PERCENT RATES SHALL BE ADJUSTED BY THE COMMISSIONER OF REVENUE AS PROVIDED IN SECTION 273.1311.) The property tax to be paid on class 3c property as otherwise determined by law, less any reduction received pursuant to sections 273.123, 273.135, and 473H.10 shall be reduced by (54) 50 percent of the tax (IMPOSED ON THE FIRST \$67,000 OF MARKET VALUE;) provided that the amount of the reduction shall not exceed (\$650) \$700. The first \$12,000 market value of each tract of such real estate used for the purposes of a homestead shall be exempt from taxation for state purposes; except as specifically provided otherwise by law.

(CLASS 3CC PROPERTY SHALL INCLUDE REAL ESTATE OR MANUFACTURED HOMES USED FOR THE PURPOSES OF A HOMESTEAD BY (A) ANY BLIND PERSON, IF THE BLIND PERSON IS THE OWNER THEREOF OR IF THE BLIND PERSON AND HIS OR HER SPOUSE ARE THE SOLE OWNERS THEREOF; OR (B) ANY PERSON (HEREINAFTER REFERRED TO AS VETERAN) WHO: (1) SERVED IN THE ACTIVE MILITARY OR NAVAL SERVICE OF THE UNITED STATES AND (2) IS ENTITLED TO COMPENSATION UNDER THE LAWS AND REGULATIONS OF THE UNITED STATES FOR PERMANENT AND TOTAL SERVICE CONNECTED DISABILITY DUE TO THE LOSS, OR LOSS OF USE, BY REASON OF AMPUTATION, ANKYLOSIS, PROGRESSIVE MUSCULAR DYSTROPHIES, OR PARALYSIS, OF BOTH LOWER EXTREMITIES, SUCH AS TO PRECLUDE MOTION WITHOUT THE AID OF BRACES, CRUTCHES, CANES, OR A WHEELCHAIR, AND (3) WITH ASSISTANCE BY THE ADMINISTRATION OF VETERANS AFFAIRS HAS ACQUIRED A SPECIAL HOUSING UNIT WITH SPECIAL FIXTURES OR MOVABLE FACILITIES MADE NECESSARY BY THE NATURE OF THE VETERAN'S DISABILITY, OR THE SURVIVING SPOUSE OF THE DECEASED VETERAN FOR AS LONG AS THE SURVIVING SPOUSE RETAINS THE SPECIAL HOUSING UNIT AS HIS OR HER HOMESTEAD; OR (C) ANY PERSON WHO: (1) IS PERMANENTLY AND TOTALLY DISABLED AND (2) RECEIVES 90 PERCENT OR MORE OF HIS TOTAL INCOME FROM (I) AID FROM ANY STATE AS A RESULT OF THAT DISABILITY, OR (II) SUPPLEMENTAL SECURITY INCOME FOR THE DISABLED, OR (III) WORKERS' COMPENSATION BASED ON A FINDING OF TOTAL AND PERMANENT DISABILITY, OR (IV) SOCIAL SECURITY DISABILITY, INCLUDING THE AMOUNT OF A DISABILITY INSURANCE BENEFIT WHICH IS CONVERTED TO AN OLD AGE INSURANCE BENEFIT AND ANY SUBSEQUENT COST OF LIVING INCREASES, OR (V) AID UNDER THE FEDERAL RAILROAD RETIREMENT ACT OF 1937, 45 UNITED STATES



CODE ANNOTATED, SECTION 228B(A)5, OR (VI) A PENSION FROM ANY LOCAL GOVERNMENT RETIREMENT FUND LOCATED IN THE STATE OF MINNESOTA AS A RESULT OF THAT DISABILITY. PROPERTY SHALL BE CLASSIFIED AND ASSESSED AS CLASS 3CC ONLY IF THE COMMISSIONER OF REVENUE CERTIFIES TO THE ASSESSOR THAT THE OWNER OF THE PROPERTY SATISFIES THE REQUIREMENTS OF THIS SUBDIVISION. CLASS 3CC PROPERTY SHALL BE VALUED AND ASSESSED AS FOLLOWS: IN THE CASE OF AGRICULTURAL LAND, INCLUDING A MANUFACTURED HOME, USED FOR A HOMESTEAD, THE FIRST \$30,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT FIVE PERCENT, THE NEXT \$30,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT 14 PERCENT, AND THE REMAINING MARKET VALUE SHALL BE VALUED AND ASSESSED AT 19 PERCENT; AND IN THE CASE OF ALL OTHER REAL ESTATE AND MANUFACTURED HOMES, THE FIRST \$30,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT FIVE PERCENT, THE NEXT \$30,000 OF MARKET VALUE SHALL BE VALUED AND ASSESSED AT 19 PERCENT, AND THE REMAINING MARKET VALUE SHALL BE VALUED AND ASSESSED AT 30 PERCENT. IN THE CASE OF AGRICULTURAL LAND INCLUDING A MANUFACTURED HOME USED FOR PURPOSES OF A HOMESTEAD, THE COMMISSIONER OF REVENUE SHALL ADJUST, AS PROVIDED IN SECTION 273.1311, THE MAXIMUM AMOUNT OF THE MARKET VALUE OF THE HOMESTEAD BRACKETS SUBJECT TO THE FIVE PERCENT AND 14 PERCENT RATES; AND FOR ALL OTHER REAL ESTATE AND MANUFACTURED HOMES, THE COMMISSIONER OF REVENUE SHALL ADJUST, AS PROVIDED IN SECTION 273.1311, THE MAXIMUM AMOUNT OF THE MARKET VALUE OF THE HOMESTEAD BRACKETS SUBJECT TO THE FIVE PERCENT AND 19 PERCENT RATES. PERMANENTLY AND TOTALLY DISABLED FOR THE PURPOSE OF THIS SUBDIVISION MEANS A CONDITION WHICH IS PERMANENT IN NATURE AND TOTALLY INCAPACITATES THE PERSON FROM WORKING AT AN OCCUPATION WHICH BRINGS HIM AN INCOME. THE PROPERTY TAX TO BE PAID ON CLASS 3CC PROPERTY AS OTHERWISE DETERMINED BY LAW, LESS ANY REDUCTION RECEIVED PURSUANT TO SECTION 273.135 SHALL BE REDUCED BY 54 PERCENT OF THE TAX IMPOSED ON THE FIRST \$67,000 OF MARKET VALUE; PROVIDED THAT THE AMOUNT OF THE REDUCTION SHALL NOT EXCEED \$650.)

For purposes of this subdivision, homestead property which qualifies for the classification ratios and credits provided in this subdivision shall include property which is used for purposes of the homestead but is separated from the homestead by a road, street, lot, waterway, or other similar intervening prop-

erty. The term "used for purposes of the homestead" shall include but not be limited to uses for gardens, garages, or other outbuildings commonly associated with a homestead, but shall not include vacant land held primarily for future development. In order to receive homestead treatment for the noncontiguous property, the owner shall apply for it to the assessor by July 1 of 1983 or the year when the treatment is initially sought. After initial qualification for the homestead treatment, additional applications for subsequent years are not required.

Sec. 9. Minnesota Statutes 1982, section 273.13, subdivision 7b, is amended to read:

Subd. 7b. [CLASS 3F.] Class 3f consists of all buildings and appurtenances thereto owned by the occupant and used by him as a permanent residence which are located upon land the title to which is vested in a person or entity other than the occupant. Such buildings shall be valued and assessed as if they were homestead property within the scope of class 3b (,) or 3c, (OR 3CC,) whichever is applicable.

Sec. 10. Minnesota Statutes 1982, 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 cooperative 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 assessment 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. 11. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 7d, is amended to read:

Subd. 7d. [LEASED HOMESTEAD PROPERTY.] Class 3g consists of all buildings and appurtenances located upon land owned by the occupant and used for the purposes of a homestead together with the land upon which they are located. Class 3g property 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:

(a) the occupant is using such property as his permanent residence; and

(b) the occupant is paying the ad valorem property taxes and any special assessments levied against such property; and

(c) the occupant has signed a lease which has an option to purchase the buildings and appurtenances; and

(d) the term of the lease is at least five years.

Any taxpayer meeting all the requirements herein must notify the county assessor, or the assessor who has the powers of the county assessor pursuant to section 273.063, in writing, prior to September 1, 1981 and in future years, as soon as possible after signing the lease agreement and occupying the buildings as his homestead.

Sec. 12. Minnesota Statutes 1982, section 273.13, subdivision 8a, is amended to read:

Subd. 8a. [CLASS 3E.] Real estate, rural in character, and used exclusively for the purpose of growing trees for timber, lumber, wood and wood products shall constitute class 3e, and shall be valued and assessed at (19) 21 percent of the market value thereof.

Sec. 13. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 9, is amended to read:

Subd. 9. [CLASS 4A, 4B, 4C, AND 4D.] (1) All property not included in the preceding classes shall constitute class 4a and shall be valued and assessed at (43) 42 percent of the market value thereof, except 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) 35 percent of market value.

(3) Commercial and industrial property, except as provided in this subdivision, shall constitute class 4c and shall be valued and assessed at (34) 35 percent of the first (\$50,000) \$100,000 of market value and (43) 42 percent 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 (34) 35 percent assessment, and in the case of other commercial or industrial property owned by one person or entity, only one parcel in each county shall qualify for the (34) 35 percent assessment.

(4) Employment property defined in section 273.1313, during the period provided in section 273.1313, shall constitute class 4d and shall be valued and assessed at (20 PERCENT OF THE FIRST \$50,000 OF MARKET VALUE AND 21.5) 21 percent (OF THE REMAINDER), except that for employment property located in an enterprise zone designated pursuant to section 273.1312, subdivision 4, paragraph (c), clause (3), the (FIRST \$50,000 OF) market value shall be valued and assessed at (31.5 PERCENT AND THE REMAINDER SHALL BE ASSESSED AND VALUED AT 38.5) 35 percent, unless the governing body of the city designated as an enterprise zone determines that a specific parcel shall be assessed pursuant to the first clause of this sentence. The governing body may provide for assessment under the first clause of the preceding sentence only for property which is located in an area which has been designated by the governing body for the receipt of tax reductions authorized by section 273.1314, subdivision 9, paragraph (a).

Sec. 14. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 14a, is amended to read:

Subd. 14a. [BUILDINGS AND APPURTENANCES, ON LAND NOT OWNED BY OCCUPANT.] The property tax to be paid in respect of the value of all buildings and appurtenances thereto owned and used by the occupant as a permanent residence, which are located upon land subject to property taxes and the title to which is vested in a person or entity other than the occupant, for all purposes shall be reduced by (54) 50 percent of the amount of the tax (IN RESPECT OF THE VALUE NOT IN EXCESS OF \$67,000 AS OTHERWISE DETERMINED BY LAW), but not by more than (\$650) \$700.

Sec. 15. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 16, is amended to read:

Subd. 16. [HOMESTEAD ESTABLISHED AFTER ASSESSMENT DATE.] (1) Any property which was not used for the purpose of a homestead on the assessment date, but which was used for the purpose of a homestead on June 1 of such year, shall constitute class 3b (,) or class 3c (OR CLASS 3CC), as the case may be, to the extent of one-half of the valuation which would have been includible in such class and one-half the homestead tax credit to which it would have been entitled had the property been used as a homestead on both such dates.

(2) Any taxpayer meeting the requirements of clause (1) must notify the county assessor, or the assessor who has the powers of the county assessor pursuant to section 273.063, in writing, prior to June 15 of such year in order to qualify thereunder.

The county assessor and the county auditor are hereby empowered to make the necessary changes on their assessment and tax records to provide for proper homestead classification and credit as provided in clauses (1) and (2).

(3) The owner of any property qualifying under this subdivision, which has not been accorded the benefits of this subdivision, regardless of whether or not the notification required in clause (2) has been timely filed, may be entitled to receive such benefits by proper application as provided in sections 270.07 or 375.192.

The county assessor shall cause to be published in a newspaper of general circulation within the county no later than June 1 of each year a notice to the public informing them of the requirement to file an application for homestead prior to June 15.

Sec. 16. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17, is amended to read:

Subd. 17. [TITLE II OR STATE HOUSING FINANCE AGENCY PROPERTY USED FOR ELDERLY AND LOW AND MODERATE INCOME FAMILIES.] (a) Except as provided in clause (b), a structure situated on real property that is used for housing for the elderly or for low and moderate income families as defined by Title II of the National Housing Act or the Minnesota housing finance agency law of 1971 or regulations promulgated by the agency pursuant thereto and financed by a direct federal loan or federally insured loan or a loan made by the Minnesota housing finance agency pursuant to the provisions of either of those acts and acts amendatory thereof shall, for 15 years from the date of the completion of the original construction or substantial rehabilitation, or for the original

term of the loan, be assessed at (20) 21 percent of the market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents.

(b) In the case of a structure described in clause (a) with respect to which construction or substantial rehabilitation had not been commenced prior to January 1, 1984, the (20) 21 percent assessment ratio shall apply only to that portion of the structure that is occupied by elderly persons or low and moderate income families as defined above.

Sec. 17. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17b, is amended to read:

Subd. 17b. [VALUATION OF FARMERS HOME ADMINISTRATION PROPERTY IN MUNICIPALITIES OF UNDER 10,000.] (a) Notwithstanding any other provision of law, except as provided in clause (b), any structure

(1) situated on real property that is used for housing for the elderly or for low and moderate income families as defined by the farmers home administration,

(2) located in a municipality of less than 10,000 population,

(3) financed by a direct loan or insured loan from the farmers home administration, and

(4) which qualifies under subdivision 17a, shall, for 15 years from the date of the completion of the original construction or for the original term of the loan, be assessed at (FIVE) 14 percent of the market value thereof, provided that the fair market value as determined by the assessor is based on the normal approach to value using normal unrestricted rents.

(b) A structure described in clause (a) with respect to which construction had not been commenced prior to January 1, 1984, shall be assessed at (20) 21 percent of its market value, but only in proportion to its occupancy by elderly persons or low and moderate income families as defined above.

Sec. 18. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 17c, is amended to read:

Subd. 17c. [VALUATION OF LOWER INCOME HOUSING.] (a) Except as provided in clause (b), a structure which is

(1) situated upon real property that is used for housing lower income families or elderly or handicapped persons, as de-

fined in section 8 of the United States Housing Act of 1937, as amended, and

(2) owned by an entity which has entered into a housing assistance payments contract under section 8 which provides assistance for 100 percent of the dwelling units in the structure, other than dwelling units intended for management or maintenance personnel, shall, for the term of the housing assistance payments contract, including all renewals, or for the term of its permanent financing, whichever is shorter, be assessed at (20) 21 percent of its market value. The market value determined by the assessor shall be based on the normal approach to value using normal unrestricted rents.

(b) In the case of a structure described in clause (a) with respect to which construction had not been commenced prior to January 1, 1984, the (20) 21 percent assessment ratio shall apply only to that portion of the structure that is occupied by lower income families or elderly or handicapped persons as defined above.

Sec. 19. Minnesota Statutes 1982, section 273.13, subdivision 17d, is amended to read:

Subd. 17d. [NEIGHBORHOOD REAL ESTATE TRUSTS.] When a 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 lower income families, the land and improvements, if any, shall be assessed at (20) 21 percent of the market value. This subdivision shall not apply to any portion of the 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 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. 20. Minnesota Statutes 1982, section 273.13, subdivision 19, is amended to read:

Subd. 19. [CLASS 3D, 3DD.] Residential real estate containing four or more units, other than seasonal residential, recreational and homesteads shall be classified as class 3d property and shall have a taxable value equal to (36) 28 percent on the first \$100,000 of market value (FOR TAXES LEVIED IN 1981) and (34) 35 percent (OF MARKET VALUE FOR TAXES LEVIED IN 1982 AND THEREAFTER) on the remainder. Residential real estate containing three or less units, other than seasonal residential, recreational and homesteads, shall be classified as class 3dd property and shall have a taxable value equal to (28) 21 percent on the first \$60,000 of market value and 28 percent on the remainder of market value.

Residential real estate as used in this subdivision means real property used or held for use by the owner thereof, or by his tenants or lessees as a residence for rental periods of 30 days or more, but shall not include homesteads, or real estate devoted to temporary or seasonal residential occupancy for recreational purposes. Where a portion of a parcel of property qualified for class 3d or 3dd and a portion does not qualify for class 3d or 3dd the valuation shall be apportioned according to the respective uses.

Residential real estate containing less than three units when entitled to homestead classification for one or more units shall be classed as 3b (,) or 3c (OR 3CC) according to the provisions of subdivisions 6 and 7.

Sec. 21. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 20, is amended to read:

Subd. 20. [TAXATION; APARTMENTS; ASSESSED VALUE; APARTMENT HOUSING OF TYPE I OR II CONSTRUCTION.] That portion of real property subject to a general property tax and assessed as a structure upon the land shall, when such structure is constructed with materials meeting the requirements for type I or II construction as defined in the state building code, 90 percent or more is used or is to be used as apartment housing, and no part of which is subject to the provisions of subdivisions 7, 17, 17b, 17c, and 17d be classified for the purposes of taxation for a period of 40 years from the date of completion of original construction, or the date of initial though partial use, whichever is the earlier date, when the structure is of a height of five or more stories that part, section, floor or area used or to be used for apartment housing shall be valued and assessed at (25) 28 percent of the market value.

Sec. 22. Minnesota Statutes 1983 Supplement, section 273.13, subdivision 21, is amended to read:



Subd. 21. [LIMITATION ON HOMESTEAD CLASSIFICATION.] If the assessor has classified property as both homestead and nonhomestead, only the values attributable to the portion of the property classified as 3b (,) or 3c (, OR 3CC) shall be entitled to homestead treatment.

Except for buildings containing fewer than three units classified pursuant to section 273.13, subdivision 19, if the portion of a building used as the owner's homestead is separate from other dwelling units in the building, only the owner's residence plus the land attributable to the residence is to receive either the 3b (,) or 3c (, OR 3CC) classification.

Sec. 23. Minnesota Statutes 1983 Supplement, section 273.135, subdivision 1, is amended to read:

Subdivision 1. The property tax to be paid in respect to property taxable within a tax relief area on class 3b property (,) and on class 3c property (, AND ON CLASS 3CC PROPERTY), as otherwise determined by law and regardless of the market value of the property, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.

Sec. 24. Minnesota Statutes 1983 Supplement, section 273.1391, subdivision 1, is amended to read:

Subdivision 1. The property tax to be paid in respect to property taxable within a tax relief area described in subdivision 2 on class 3b property (,) and on class 3c property (, AND ON CLASS 3CC PROPERTY), as otherwise determined by law and regardless of the market value of the property, for all purposes shall be reduced in the amount prescribed by subdivision 2, subject to the limitations contained therein.

Sec. 25. Minnesota Statutes 1982, section 273.42, subdivision 2, is amended to read:

Subd. 2. Owners of land defined as class 3, 3b, 3c, (3CC,) 3d or 3f pursuant to section 273.13 listed on records of the county auditor or county treasurer over which runs a high voltage transmission line as defined in section 116C.52, subdivision 3, except a high voltage transmission line the construction of which was commenced prior to July 1, 1974, shall receive a property tax credit in an amount determined by multiplying a fraction, the numerator of which is the length of high voltage transmission line which runs over that parcel and the denominator of which is the total length of that particular line running over all property within the city or 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 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 denominator of which is the total number of acres in the parcel set forth on the tax statement, and the maximum credit shall be 20 percent of the product of that computation, prior to deduction of those credits. The auditor of the county in which the affected parcel is located shall calculate the amount of the credit due for each parcel and transmit that information to the county treasurer. The county auditor, in computing the credits received pursuant to sections 273.13 and 273.135, shall reduce the gross tax by the amount of the credit received pursuant to this section, unless the amount of the credit would be less than \$10.

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. 26. [REPEALER.]

*Minnesota Statutes 1983 Supplement, sections 273.1311 and 273.1315, are repealed.*

Sec. 27. [EFFECTIVE DATE.]

*The removal of the agricultural aid maximum in section 2 is effective for the 1983 assessment and thereafter, taxes payable 1984 and thereafter. The agricultural aid percentage increases in section 2 and sections 1 and 3 to 26 are effective for taxes levied in 1984 and thereafter, payable in 1985 and thereafter."*

Further, amend the title as follows:

Page 1, line 17, after "1984;" insert "changing the state school agricultural credit, homestead credits, and property classification ratios; abolishing class 3cc; reducing the basic maintenance school mill rate;"

Page 1, line 30, delete "changing the classification ratio maximum"

Page 1, line 31, delete "value on commercial and industrial property;"

Page 2, line 18, after the second "subdivisions" insert "2, 5a, 7b, 7c, 8a," and after "9" insert ", 17d"

Page 2, line 18, after "19;" insert "273.42, subdivision 2;"

Page 2, line 29, after "6;" insert "124.2122;"

Page 2, line 30, after the first "subdivisions" insert "4,"

Page 2, line 30, after "6" insert ", 6a, 7, 7d, 9, 14a, 16, 17, 17b, 17c, 20,"

Page 2, line 31, after "15;" insert "273.135, subdivision 1; 273.1391, subdivision 1;"

Page 2, line 48, after "7;" insert "273.1311; 273.1315;"

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 58 yeas and 67 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Findlay	Hokr	Onnen	Sherman
Bennett	Fjoslien	Jennings	Pauly	Sviggum
Bishop	Forsythe	Johnson	Piepho	Thiede
Blatz	Frerichs	Knickerbocker	Quist	Uphus
Boo	Gruenes	Kvam	Redalen	Valan
Burger	Gutknecht	Levi	Reif	Valento
Cohen	Halberg	Ludeman	Rodriguez, C.	Waltman
Dempsey	Haukoos	Marsh	Rose	Welker
DenOuden	Heap	McDonald	Schafer	Wigley
Dimler	Heinitz	McKasy	Schreiber	Zaffke
Erickson	Himle	Olsen	Seaberg	
Evans	Hoffman	Omann	Shaver	

Those who voted in the negative were:

Anderson, B.	Ellingson	Mann	Price	Swanson
Anderson, G.	Graba	McEachern	Rice	Tomlinson
Battaglia	Greenfield	Metzen	Rodosovich	Tunheim
Beard	Gustafson	Minne	Rodriguez, F.	Vanasek
Begich	Jacobs	Munger	St. Onge	Vellenga
Bergstrom	Jensen	Murphy	Sarna	Voss
Brandl	Kahn	Nelson, K.	Schoenfeld	Welch
Brinkman	Kalis	Neuenschwander	Segal	Welle
Carlson, L.	Kelly	Norton	Shea	Wenzel
Clark, J.	Knuth	O'Connor	Simoneau	Wynia
Clark, K.	Kostohryz	Ogren	Skoglund	Speaker Sieben
Clawson	Krueger	Osthoff	Solberg	
Coleman	Larsen	Otis	Sparby	
Elioff	Long	Peterson	Staten	

The motion did not prevail and the amendment was not adopted.

Himle; Olsen; Blatz; Jennings; Metzen; Rodriguez, C.; Schreiber; Valento; Kvam; Cohen; Seaberg and Bennett offered an amendment to H. F. No. 2016, the first engrossment, as amended.

#### POINT OF ORDER

Vanasek raised a point of order pursuant to rule 3.10 that the amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

H. F. No. 2016, A bill for an act relating to taxation; repealing the income tax surtax; modifying the designation of enterprise zones; increasing the funding for enterprise zones; modifying the definition of political party under the political contribution credit; providing an income tax credit for conservation tillage farm equipment; eliminating racehorses from the farm loss modification; permitting certain net operating loss carrybacks; permitting deduction of certain foreign taxes paid; allowing deduction of foreign dividends and royalties; modifying the definition of apportionment factors; restricting tax exemptions for redevelopment companies; changing the computation of the school agricultural credit retroactive to taxes payable in 1984 in certain cases; modifying the maximum targeting credit for payable 1984; providing a targeting credit for payable 1985; changing computation of certain local government aid payments; directing the department of revenue to issue guidelines on certain topics; instructing the commissioner to determine production value ratio; authorizing certain additional levies in counties; modifying the use of the sales ratio study as evidence in court; changing the methodology of the sales ratio study; changing certain property tax appeal procedures; imposing requirements for disaster relief credits; increasing agricultural aid to certain property; modifying the homestead credit provisions for certain property and providing refunds; changing the classification

ratio maximum value on commercial and industrial property; limiting the property tax exemption for certain projects; repealing the exemption for franchise and special taxes and fees for certain projects; modifying the property tax refund with respect to certain claims; repealing rent capitalization; changing the estate tax; allowing the commissioner more discretion in valuing railroad property; providing for equalization of railroad valuations; authorizing the Ramsey-Washington metro watershed district to establish a maintenance and repair fund and levy taxes; creating the Croft historical park board; authorizing the board to levy taxes; authorizing the city of Cloquet to levy taxes for certain transit expenses; authorizing the conveyance of certain land in St. Louis County; clarifying the application of the mortgage registry tax to revolving lines of credit; changing the procedures for refunds of the motor fuels tax; reducing the sales tax rate for purchases of capital equipment and manufactured housing; exempting agricultural electricity, residential hot water district heating, and used manufactured housing from the sales tax; exempting certain sales by nonprofit organizations from the sales tax; exempting residential district heating from the St. Paul franchise tax; repealing the accelerated payment of sales tax; transferring motor vehicle excise tax proceeds to the highway user and transit funds; providing for the priority of certain liens securing revolving lines of credit; increasing the interest rate on state tax refunds; appropriating money; amending Minnesota Statutes 1982, sections 10A.31, subdivisions 3a and 5; 124.2131, subdivision 1; 270.80, subdivision 4; 270.84, subdivision 1; 270.86; 270.87; 270A.07, subdivision 5; 271.01, subdivision 5; 271.06, subdivision 6; 271.12; 273.123, by adding subdivisions; 273.13, subdivisions 9 and 19; 287.05, by adding subdivisions; 290.01, subdivision 20e; 290.06, by adding a subdivision; 290.19, subdivision 1a; 290.21, by adding a subdivision; 290.92, subdivision 11; 290.936; 290A.04, by adding a subdivision; 290A.07, subdivision 2a; 291.075; 291.09, subdivision 1a; 291.132, subdivision 2; 291.18; 291.215, subdivision 1; 294.09, subdivision 1; 296.18, subdivisions 3 and 8; 297A.01, by adding subdivisions; 297A.15, by adding a subdivision; 297B.035, subdivision 3; 298.09, subdivision 4; 299.05; 462.651, subdivision 1, and by adding a subdivision; and 477A.13; Minnesota Statutes 1983 Supplement, sections 16A.15, subdivision 6; 124.2137, subdivision 1; 273.11, subdivision 1; 273.13, subdivisions 6 and 21; 273.1314, subdivisions 6, 8, and 15; 278.01, subdivision 1; 278.05, subdivision 4; 290.06, subdivision 11; 290.09, subdivision 29; 290.18, subdivision 2; 290.21, subdivision 4; 290.50, subdivision 1; 290.92, subdivision 13; 290.93, subdivision 9; 290A.03, subdivisions 8 and 13; 290A.04, subdivision 2e, and by adding a subdivision; 290A.05; 290A.07, subdivision 3; 291.005, subdivision 1; 291.03, subdivision 1; 291.09, subdivision 3a; 296.14, subdivision 4; 296.18, subdivision 1; 297A.02, subdivision 2, and by adding a subdivision; 297A.14; 297A.25, subdivision 1; 297A.27, subdivision 1; 297A.35, subdivision 1; 297B.09; and 477A.013, subdivision 1; Laws 1979, chapter 189, section 2; proposing new law coded in Minnesota Statutes, chapters 270,

507 and 508; repealing Minnesota Statutes 1982, sections 270.90; 291.015; 291.03, subdivisions 3, 4, 5, 6, and 7; 291.05; 291.051; 291.06; 291.065; 291.07; 291.08; 291.09, subdivision 5; 291.111; and 462.651, subdivision 2; Minnesota Statutes 1983 Supplement, sections 273.11, subdivision 7; 290.06, subdivisions 2e and 13; 297A.275; and 462.651, subdivision 3; and Laws 1983, chapter 342, article 1, section 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.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Krueger	Peterson	Solberg
Anderson, G.	Findlay	Kvam	Piepho	Sparby
Anderson, R.	Fjoslien	Larsen	Piper	Staten
Battaglia	Forsythe	Levi	Price	Sviggum
Beard	Frerichs	Long	Quinn	Swanson
Begich	Graba	Ludeman	Quist	Thiede
Bennett	Greenfield	Mann	Redalen	Tomlinson
Bergstrom	Gruenes	Marsh	Reif	Tunheim
Bishop	Gustafson	McDonald	Rice	Uphus
Blatz	Gutknecht	McEachern	Riveness	Valan
Boo	Halberg	McKasy	Rodosovich	Valento
Brandl	Haukoos	Metzen	Rodriguez, C.	Vanasek
Brinkman	Heap	Mjnnce	Rodriguez, F.	Vellenga
Burger	Heinitz	Munger	Rose	Voss
Carlson, D.	Himle	Murphy	St. Onge	Waltman
Carlson, L.	Hoffman	Nelson, D.	Sarna	Welch
Clark, J.	Hokr	Nelson, K.	Schafer	Wetker
Clark, K.	Jacobs	Neuenschwander	Scheid	Welle
Clawson	Jennings	Norton	Schoenfeld	Wenzel
Cohen	Jensen	O'Connor	Schreiber	Wigley
Coleman	Johnson	Ogren	Seaberg	Wynia
Dempsey	Kahn	Olsen	Segal	Zaffke
DenOuden	Kalis	Omamn	Shaver	Speaker Sieben
Dimler	Kelly	Onnen	Shea	
Elioff	Knickerbocker	Osthoff	Sherman	
Ellingson	Knuth	Otis	Simoneau	
Erickson	Kostohryz	Pauly	Skoglund	

The bill was passed, as amended, and its title agreed to.

### GENERAL ORDERS

Vanasek 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

Rice from the Committee on Appropriations to which was referred:

H. F. No. 1707, A bill for an act relating to gambling; creating a charitable gambling control board and prescribing its powers and duties; imposing a tax on the gross receipts of charitable gambling; making an annual appropriation; prescribing penalties; amending Minnesota Statutes 1982, sections 349.11; 349.12; 349.13; 349.14; 349.15; 349.16; 349.17; 349.18; 349.19; 349.20; 349.21; 349.22; and 349.31, subdivision 1; Minnesota Statutes 1983 Supplement, sections 340.14, subdivision 2; 609.75, subdivision 3; and 609.761; proposing new law coded in Minnesota Statutes, chapter 349; repealing Minnesota Statutes 1982, section 349.26.

Reported the same back with the following amendments:

Page 20, line 10, after "*proceeds*" insert "*along with the revenue received from all license fees and other fees under sections 349.11 to 349.21 and sections 16, 17, and 18 of this act,*"

Page 20, line 18, after "*the*" insert "*department of education in consultation with the*"

Page 20, line 19, delete "*the*" and insert "*art programs, or for*"

Page 20, line 21, after "*state*" insert "*, or the purposes recommended by the task force*"

Page 23, line 30, delete "\$ . . . . ." and insert "\$556,000"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House Files were introduced:

Clark, J., introduced:

H. F. No. 2318, A bill for an act relating to health; prohibiting discrimination by health maintenance organizations against optometrists; providing penalties; amending Minnesota Statutes 1982, section 62D.12, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Insurance.

Sviggum, Onnen and Elioff introduced:

H. F. No. 2319, A bill for an act relating to public welfare; limiting the income contribution of parents of children in out-of-home placement; amending Laws 1983, chapter 312, article 1, section 2, subdivision 5.

The bill was read for the first time and referred to the Committee on Health and Welfare.

Kelly introduced:

H. F. No. 2320, A bill for an act relating to alcoholic beverages; increasing the age for licensing, sale, consumption, possession and furnishing; amending Minnesota Statutes 1982, sections 340.02, subdivision 8; 340.035, subdivision 1; 340.119, subdivision 2; 340.13, subdivision 12; 340.14, subdivision 1a; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

The bill was read for the first time and referred to the Committee on Judiciary.

Osthoff introduced:

H. F. No. 2321, A bill for an act relating to alcoholic beverages; increasing the age for licensing, sale, consumption, possession and furnishing; amending Minnesota Statutes 1982, sections 340.02, subdivision 8; 340.035, subdivision 1; 340.119, subdivision 2; 340.13, subdivision 12; 340.14, subdivision 1a; 340.403, subdivision 3; 340.73, subdivision 1; 340.731; 340.78; 340.79; 340.80; and 340.81.

The bill was read for the first time and referred to the Committee on Judiciary.

## MOTIONS AND RESOLUTIONS

Dempsey moved that the name of Shea be added as an author on H. F. No. 1736. The motion prevailed.

Schafer moved that H. F. No. 473 be returned to its author. The motion prevailed.

Kahn; Clark, K.; Greenfield; Brandl and Vellenga introduced:

House Resolution No. 30, A house resolution expressing shock and outrage at the policy of the Reagan administration in Nicaragua.

The resolution was referred to the Committee on Rules and Legislative Administration.



McDonald introduced:

House Resolution No. 31, A house resolution congratulating the Waconia High School Marching Band for being invited to represent Minnesota at Winnipeg's Red River Exhibition and the 1984 Fiesta Bowl.

The resolution was referred to the Committee on Rules and Legislative Administration.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 1405:

Blatz, Quinn and Knuth.

ADJOURNMENT

Vanasek moved that when the House adjourns today it adjourn until 1:00 p.m., Thursday, April 12, 1984. The motion prevailed.

Vanasek moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 1:00 p.m., Thursday, April 12, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-THIRD SESSION - 1984

## SEVENTY-SIXTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 12, 1984

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 Leroy Scheumann, Kost Evangelical Free Church, North Branch, Minnesota.

The roll was called and the following members were present:

Anderson, B.	Erickson	Kostohryz	Pauly	Skoglund
Anderson, G.	Evans	Krueger	Peterson	Solberg
Anderson, R.	Findlay	Kvam	Piepho	Sparby
Battaglia	Fjoslien	Larsen	Piper	Staten
Beard	Forsythe	Levi	Price	Sviggum
Begich	Frerichs	Long	Quinn	Swanson
Bennett	Graba	Ludeman	Quist	Thiede
Bergstrom	Greenfield	Mann	Redalen	Tomlinson
Bishop	Gruenes	Marsh	Reif	Tunheim
Blatz	Gustafson	McDonald	Rice	Uphus
Boo	Gutknecht	McEachern	Riveness	Valan
Brandl	Halberg	McKasy	Rodosovich	Valento
Brinkman	Haukoos	Metzen	Rodriguez, C.	Vanasek
Burger	Heap	Minne	Rodriguez, F.	Vellenga
Carlson, D.	Heinitz	Munger	Rose	Voss
Carlson, L.	Himle	Murphy	St. Onge	Waltman
Clark, J.	Hoffman	Nelson, D.	Sarna	Welch
Clark, K.	Hokr	Nelson, K.	Schafer	Welker
Clawson	Jacobs	Neuenschwander	Scheid	Welle
Cohen	Jennings	Norton	Schoenfeld	Wenzel
Coleman	Jensen	O'Connor	Schreiber	Wigley
Dempsey	Johnson	Ogren	Seaberg	Wynia
DenOuden	Kahn	Olsen	Segal	Zaffke
Dimler	Kalis	Omann	Shaver	Speaker Sieben
Eken	Kelly	Onnen	Shea	
Elioff	Knickerbocker	Osthoff	Sherman	
Ellingson	Knuth	Otis	Simoneau	

A quorum was present.

Hoberg and Stadum were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly moved that further reading of the Journal be dispensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 2317, 1865, 2041, 1945 and 2016 and S. F. Nos. 1913, 1559, 1398, 1526, 1654, 1659, 1768, 1823, 1365, 1435, 1495, 1784, 1520, 1759, 1832, 881 and 1048 have been placed in the members' files.

S. F. No. 1768 and H. F. No. 2258, 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. 1768 be substituted for H. F. No. 2258 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1365 and H. F. No. 1473, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Kelly moved that S. F. No. 1365 be substituted for H. F. No. 1473 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1495 and H. F. No. 1527, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Clark, K., moved that S. F. No. 1495 be substituted for H. F. No. 1527 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1435 and H. F. No. 1449, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Sparby moved that S. F. No. 1435 be substituted for H. F. No. 1449 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1832 and H. F. No. 1772, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Clark, J., moved that S. F. No. 1832 be substituted for H. F. No. 1772 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1520 and H. F. No. 1845, 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. 1520 be substituted for H. F. No. 1845 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1398 and H. F. No. 1556, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Olsen moved that the rules be so far suspended that S. F. No. 1398 be substituted for H. F. No. 1556 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1559 and H. F. No. 1499, 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. 1559 be substituted for H. F. No. 1499 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 1913 and H. F. No. 2062, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

## SUSPENSION OF RULES

Coleman moved that the rules be so far suspended that S. F. No. 1913 be substituted for H. F. No. 2062 and that the House File be indefinitely postponed. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 377, A bill for an act relating to taxation; increasing the maximum pension exclusion; providing that it increase according to annual increases in social security benefits; eliminating the income offset; amending Minnesota Statutes 1982, section 290.01, subdivision 20b, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b, is amended to read:

Subd. 20b. [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 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) 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, (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, OR (III) SEVERANCE PAY DISTRIBUTED TO AN INDIVIDUAL UPON DISCONTINUANCE OF THE INDIVIDUAL'S EMPLOYMENT DUE TO TERMINATION OF BUSINESS OPERATIONS BY THE INDIVIDUAL'S EMPLOYER, PROVIDED THAT THE TERMINATION IS REASONABLY LIKELY TO BE PERMANENT, INVOLVES THE DISCHARGE OF AT LEAST 75 PERCENT OF THE EMPLOYEES AT THAT SITE WITHIN A ONE-YEAR PERIOD, AND THE BUSINESS IS NOT ACQUIRED BY ANOTHER PERSON WHO CONTINUES OPERATIONS AT THAT SITE. 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. FOR PURPOSES OF THIS CLAUSE, "SEVERANCE PAY" MEANS AN AMOUNT RECEIVED FOR CANCELLATION OF AN EMPLOYMENT CONTRACT OR A COLLECTIVELY BARGAINED TERMINATION PAYMENT MADE AS A SUBSTITUTE FOR INCOME WHICH WOULD HAVE BEEN EARNED FOR PERSONAL SERVICES TO BE RENDERED IN THE FUTURE. 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) *Pension income as provided by section 2;*

(7) 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;

(8) The amount of any distribution from a qualified pension or profit sharing plan included in federal adjusted gross income in the year of receipt to the extent of any contribution not previously allowed as a deduction by reason of a change in federal law which was not adopted by Minnesota law for a taxable year beginning in 1974 or later;

(9) Interest, including payment adjustment to the extent that it is applied to interest, earned by the seller of the property on a family farm security loan executed before January 1, 1986 that is guaranteed by the commissioner of agriculture as provided in sections 41.51 to 41.60;

(10) 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 subdivision 20b, clause (6);

(11) 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 subdivision 20b, clause (6);

(12) 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;

(13) 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;

(14) Unemployment compensation to the extent includible in gross income for federal income tax purposes under section 85 of the Internal Revenue Code of 1954;

(15) The amount of any income or gain which is not assignable to Minnesota under the provisions of section 290.17;

(16) Interest earned on a contract for deed entered into for the sale of property for agricultural use if the rate of interest set in the contract is no more than 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 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;

(17) 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;

(18) To the extent included in federal adjusted gross income, distributions from a qualified governmental pension plan which represent a return of designated employee contributions to the plan and which contributions were included in gross income pursuant to subdivision 20a, clause (20); and

(19) To the extent included in federal adjusted gross income, distributions from an individual retirement account which represent a return of designated employee contributions if the contributions were included in gross income pursuant to subdivision 20a, clause (19). The distribution shall be allocated first to return of contributions included in gross income until the amount of the contributions has been exhausted.

Sec. 2. Minnesota Statutes 1982, section 290.08, is amended by adding a subdivision to read:

*Subd. 26. [PENSION INCOME.] (a) [EXCLUSION.] Gross income shall not include the taxpayer's pension income. The maximum amount of this exclusion is the greater of the following two amounts:*

(1) *\$11,000 reduced by the amount of the taxpayer's federal adjusted gross income in excess of \$17,000; or*

(2) *\$11,000 reduced by the sum of*

(i) *social security benefits,*

(ii) *railroad retirement benefits, and*



(iii) *the excess over \$23,000 of federal adjusted gross income, but excluding social security benefits and railroad retirement benefits to the extent included in federal adjusted gross income.*

(3) *Notwithstanding clauses (1) and (2), in the case of an involuntary lump sum distribution of pension or retirement benefits to volunteer firefighters, the maximum amount of the exclusion is \$11,000. This amount is not subject to reduction for other income of the taxpayer.*

(b) [DEFINITIONS.] *For purposes of this subdivision, the following terms have the meanings given:*

(1) *"Internal Revenue Code" means the Internal Revenue Code of 1954, as amended through December 31, 1983.*

(2) *"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.*

(3) *"Pension income" means to the extent included in the taxpayer's federal adjusted gross income the amount received by the taxpayer*

(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,*

(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, or*

(iii) *severance pay distributed to an individual upon discontinuance of the individual's employment due to termination of business operations by the individual's employer, if the termination is reasonably likely to be permanent, involves the discharge of at least 75 percent of the employees at that site within a one-year period, and the business is not acquired by another person who continues operations at that site.*

(4) *"Severance pay" means an amount received for cancellation of an employment contract or a collectively bargained termination payment made as a substitute for income which would have been earned for personal services to be rendered in the future.*

**Sec. 3. [EFFECTIVE DATE.]**

*Sections 1 and 2 are effective for taxable years beginning after December 31, 1983.*"

Delete the title and insert:

"A bill for an act relating to taxation; income; increasing the pension income exclusion; amending Minnesota Statutes 1982, section 290.08, by adding a subdivision; Minnesota Statutes 1983 Supplement, section 290.01, subdivision 20b."

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1373, A bill for an act relating to commerce; requiring state agencies to make prompt payment for the purchase or lease of goods and services; requiring agencies to pay interest penalties on late payments; reducing the classification ratio for commercial-industrial property; providing reimbursement to local units of government; appropriating money; amending Minnesota Statutes 1983 Supplement, section 273.13, subdivision 9; proposing new law coded in Minnesota Statutes, chapters 16A and 273.

Reported the same back with the following amendments:

Page 2, after line 30, insert:

*"(f) The minimum monthly interest penalty payment that a state agency shall pay a vendor for the unpaid balance for any one overdue bill equal to or in excess of \$100 is \$10. For unpaid balances of less than \$100, the state agency shall pay the actual penalty due to the vendor."*

Page 2, delete lines 31 to 36

Pages 3, 4, and 5, delete sections 2 and 3

Page 5, line 15, delete "4" and insert "2"

Page 5, line 17, after the period delete "*Sections 2 and 3 are*"

Page 5, delete lines 18 and 19

Amend the title as follows:

Page 1, line 5, delete "reducing the classification ratio"

Page 1, delete lines 6, 7, and 8

Page 1, line 9, delete "Supplement, section 273.13, subdivision 9;"

Page 1, line 10, delete "chapters" and insert "chapter"

Page 1, line 10, after "16A" delete "and" and insert a period

Page 1, delete line 11

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1454, A bill for an act relating to taxation; providing for timely payment of certain withholding income taxes; amending Minnesota Statutes 1982, section 290.92, subdivision 6, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 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. However, any return may be filed on or before the tenth day of the second calendar month following the period if the return shows timely deposits in full payment of the taxes due for that period. For the purpose of the preceding sentence, a deposit which is not required to be made within the return period, may be made on or before the last day of the first calendar month following the close of the period. Every employer, in preparing a 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 \$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 the month.

(c) [OTHER METHODS.] The commissioner may by rule 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 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 the manner and at the times as the commissioner prescribes. If the underpayment cannot be adjusted, the amount of the underpayment shall be assessed and collected in the manner and at the times as the commissioner prescribes.

(3) If any employer fails to make and file any return required by paragraph (1) at the time prescribed, or makes and files a false or fraudulent return, the commissioner shall make for him a return from his own knowledge and from information he obtains through testimony, or otherwise, and assess a tax on the basis of it. The amount of tax shown on it shall be paid to the commissioner at the times as the commissioner prescribes. Any return or assessment 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 to it.

(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 the tax, whether or not the time otherwise prescribed by law for making and filing the return and paying the 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 rules 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 3-1/2 years after the due date of the return required by paragraph (1), or the date the return was filed, whichever is later. 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 for the sum or sums (and any added penalties and interest). 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 this section, fails to deduct and withhold the tax under this section, and thereafter the taxes against which the tax may be credited are paid, the tax required to be deducted and withheld shall not be collected from the employer; but this does not relieve the employer from liability for any penalties and interest otherwise applicable for 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), the 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 the employer. The statement shall also give the address of the employer owing the tax, the period for which the tax is due, the date of the delinquency, and any other information required by the attorney general. The attorney general shall institute legal action in the name of the state to recover the

amount of the 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 stated in it and that the amount shown in it is due from the employer named in the statement. If an action is instituted, 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 it as security for any judgment which has been or may be recovered. Any action shall be brought within five years 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. In the case of failure to make and file the return or if the return is false or fraudulent, or the deposit is not made, the 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) Either party to an action for the recovery of any tax, interest or penalties under this subdivision may appeal the judgment as in other civil cases.

(10) No suit shall lie to enjoin the assessment or collection of any tax imposed by this section, or the interest and penalties added to it.

(11) *For purposes of this subdivision, a withholding tax payment, return, or deposit is filed or paid on time if the payment, return, or deposit was mailed to the commissioner of revenue on or before the due date, including any extension of time which was granted. The person required to make the payment, return, or deposit has the burden of establishing that the payment, return, or deposit was timely mailed by United States mail in an envelope, postage prepaid, and properly addressed. This clause does not apply to an employer who must deposit an amount at the end of an eighth monthly period under clause (1) (b) (ii).*

## Sec. 2 [EFFECTIVE DATE.]

*Section 1 is effective for payments of withholding tax due after August 1, 1984."*

Amend the title as follows:

Page 1, line 4, delete "1982" and insert "1983 Supplement"

Page 1, line 4, delete ", as"

Page 1, line 5, delete "amended"

With the recommendation that when so amended the bill pass.

The report was adopted.

Rice from the Committee on Appropriations to which was referred:

H. F. No. 1524, A bill for an act relating to claims against the state; providing for claims arising out of the injury or death of an inmate conditionally released or a person performing work pursuant to a court order; amending Minnesota Statutes 1982, section 3.739, subdivisions 1, 2, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1721, A bill for an act relating to real property; providing certain notice of real estate tax judgment sales; amending Minnesota Statutes 1983 Supplement, section 280.01.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [282.021] [NOTIFICATION OF SALE.]

*Thirty days before the sale of tax-forfeited land at public auction, the county auditor shall publish in a newspaper of general circulation the notice of sale and each parcel's appraised value or market value, whichever is higher, as determined by the county or local assessor who is responsible for valuing the property. The county auditor shall also mail notice to all owners of land adjoining each parcel to be sold and to all owners of platted or unplatted land whose boundaries are within 300 feet of the boundaries of each parcel to be sold."*

Amend the title as follows:

Page 1, line 2, delete "certain"

Page 1, delete lines 3 and 4, and insert "certain tax-forfeited land sales; proposing new law coded in Minnesota Statutes, chapter 282."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

H. F. No. 1766, A bill for an act relating to local government; requiring every political subdivision to establish equitable compensation relationships among its employees; proposing new law coded in Minnesota Statutes, chapter 471.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [471.991] [DEFINITIONS.]

*Subdivision 1. [TERMS.] For the purposes of this act, the following terms have the meanings given them.*

*Subd. 2. [BALANCED CLASS.] "Balanced class" means any class in which no more than 80 percent of the members are male and no more than 70 percent of the members are female.*

*Subd. 3. [COMPARABLE WORK VALUE.] "Comparable work value" means the value of work measured by the skill, effort, responsibility, and working conditions normally required in the performance of the work.*

*Subd. 4. [CLASS.] "Class" means one or more positions that have similar duties, responsibilities, and general qualifications necessary to perform the duties, with comparable selection procedures used to recruit employees, and use of the same compensation schedule.*

*Subd. 5. [EQUITABLE COMPENSATION RELATIONSHIP.] "Equitable compensation relationship" means that a primary consideration in negotiating, establishing, recommending, and approving total compensation is comparable work value in relationship to other employee positions within the political subdivision.*



*Subd. 6. [FEMALE-DOMINATED CLASS.] "Female-dominated class" means any class in which 70 percent or more of the members are female.*

*Subd. 7. [MALE-DOMINATED CLASS.] "Male-dominated class" means any class in which 80 percent or more of the members are male.*

*Subd. 8. [POSITION.] "Position" means a group of current duties and responsibilities assigned or delegated by a supervisor to an individual.*

**Sec. 2. [471.992] [EQUITABLE COMPENSATION RELATIONSHIPS.]**

*Subject to sections 179.61 to 179.76 but notwithstanding any other law to the contrary, every political subdivision of this state shall establish equitable compensation relationships between female-dominated, male-dominated, and balanced classes of employees. In all interest arbitration held pursuant to sections 179.61 to 179.76, the arbitrator shall follow the equitable compensation relationship standards established under sections 1 to 10. This section will become effective August 1, 1987.*

**Sec. 3. [471.993] [COMPENSATION RELATIONSHIPS OF POSITIONS.]**

*Subdivision 1. [ASSURANCE OF REASONABLE RELATIONSHIP.] In preparing management negotiation positions for compensation established through collective bargaining under chapter 179 and in establishing, recommending, and approving compensation plans for employees of political subdivisions not represented by an exclusive representative under chapter 179, the respective political subdivision as the public employer, as defined in section 179.63, subdivision 4, or, where appropriate, the Minnesota merit system, shall assure that:*

*(1) compensation for positions in the classified civil service, unclassified civil service, and management bear reasonable relationship to one another;*

*(2) compensation for positions in the classified civil service, unclassified civil service, and management bear reasonable relationship to similar positions outside of that particular political subdivision's employment; and*

*(3) compensation for positions within the classified civil service, unclassified civil service, and management bear reasonable relationship among related job classes and among various levels within the same occupational group.*

*Subd. 2. [REASONABLE RELATIONSHIP DEFINED.]*  
*For purposes of subdivision 1, compensation for positions bear "reasonable relationship" to one another if:*

*(1) the compensation for positions which require comparable skill, effort, responsibility, working conditions, and other relevant work related criteria is comparable; and*

*(2) the compensation for positions which require differing skill, effort, responsibility, working conditions, and other relevant work related criteria is proportional to the skill, effort, responsibility, working conditions, and other relevant work related criteria required.*

**Sec. 4. [471.994] [JOB EVALUATION SYSTEM.]**

*Every political subdivision shall use a job evaluation system in order to determine the comparable work value. The political subdivision may use the system of some other public employer in the state. Each political subdivision shall meet and confer with the exclusive representatives of their employees on the development or selection of a job evaluation system.*

**Sec. 5. [471.995] [REPORT AVAILABILITY.]**

*Notwithstanding section 13.37, every political subdivision shall submit a report containing the results of the job evaluation system to the exclusive representatives of their employees to be used by both parties in contract negotiations. At a minimum, the report to each exclusive representative shall identify the female-dominated classes in the political subdivision for which compensation inequity exists, based on the comparable work value, and all data not on individuals used to support these findings.*

**Sec. 6. [471.996] [PRIVATE DATA.]**

*Except as provided in section 5, the results of any job evaluation system established under section 4 and the reports compiled under section 5 shall be considered personnel data as defined in section 13.43, subdivision 1, and treated as private data under section 13.43, subdivisions 4 and 5, until July 31, 1987. The director of mediation services is authorized to release the job evaluation system results and reports to labor organizations as provided under section 13.43, subdivision 6.*

**Sec. 7. [EFFECT ON OTHER LAW.]**

*Notwithstanding chapter 179 or other law to the contrary, it is not an unfair labor practice to allocate a specified amount of funds to be used solely to correct inequitable compensation relationships.*

## Sec. 8. [471.997] [HUMAN RIGHTS ACT EXCEPTION.]

*Neither the commissioner of human rights nor any state court shall use or consider the results of any job evaluation system established under section 4 and the reports compiled under section 5 in any proceeding or action commenced alleging discrimination before August 1, 1987, under chapter 363.*

## Sec. 9. [471.998] [REPORT TO COMMISSIONER.]

*Subdivision 1. [REPORT ON IMPLEMENTATION PLAN; CONTENTS.] Every political subdivision shall report to the commissioner of employee relations by October 1, 1985, on its plan for implementation of sections 4 and 5. Each report shall include:*

*(1) the title of each job class which the political subdivision has established;*

*(2) the following information for each class as of July 1, 1984:*

*(a) the number of incumbents;*

*(b) the percentage of incumbents who are female;*

*(c) the comparable work value of the class, as determined under the system chosen under section 4; and*

*(d) the minimum and maximum monthly salary for the class;*

*(3) a description of the job evaluation system used by the political subdivision; and*

*(4) a plan for establishing equitable compensation relationships between female-dominated and male-dominated classes, including:*

*(a) identification of classes for which a compensation inequity exists based on the comparable work value;*

*(b) a time table for implementation of pay equity; and*

*(c) the estimated cost of implementation.*

*Subd. 2. [TECHNICAL ASSISTANCE.] The commissioner of employee relations shall, upon request of a political subdivision, provide technical assistance in completing the required reports.*

**Sec. 10. [471.999] [REPORT TO LEGISLATURE.]** *The commissioner of employee relations shall provide to the legislature any recommendations for changes in levy limits and formulas, or other factors affecting a political subdivision's ability to establish equitable compensation relationships. The recommendations shall be presented in a report to the legislature by January 1, 1986, so that the legislature can consider the results in setting aid formulas for political subdivisions. The commissioner's report shall include a list of political subdivisions which did not comply with the reporting requirements of this section."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 1846, A bill for an act relating to taxation; authorizing use of proceeds of the taconite occupation tax for economic development grants and loans to local units of government; amending Minnesota Statutes 1982, section 298.17.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 298.17, is amended to read:

**298.17 [OCCUPATION TAXES TO BE APPORTIONED.]**

All occupation taxes (WHICH SHALL BECOME DUE AND PAYABLE ON MAY 1, 1924, AND SUBSEQUENT THERETO, FROM) paid by persons, copartnerships, companies, joint stock companies, corporations, and associations, however or for whatever purpose organized, engaged in the business of mining or producing iron ore or other ores, when collected shall be apportioned and distributed in accordance with the Constitution of the state of Minnesota, Article 10, Section 3, in the manner following: 90 percent shall be deposited in the state treasury and credited to the general fund of which four-ninths shall be used for the support of elementary and secondary schools; and ten percent of the proceeds of the tax imposed by this section shall be deposited in the state treasury and credited to the general fund for the general support of the university. Of the moneys apportioned to the general fund by this section there is annually appropriated and credited to the iron range resources and rehabilitation board account in the special revenue fund an amount equal to that which would have been generated by a one cent tax imposed by

section 298.24 on each taxable ton produced in the preceding calendar year, to be expended for the purposes of section 298.22. The moneys appropriated pursuant to this section shall be used (1) to provide environmental development grants to local governments located within any county in region 3 as defined in governor's executive order number 68, issued on June 12, 1970, which does not contain a municipality qualifying pursuant to section 273.134 or (2) to provide economic development loans to businesses located within any such county, provided that the county boards shall make recommendations to the iron range resources and rehabilitation board regarding the loans. Payment to the iron range resources and rehabilitation board account shall be made by May 15 annually (, BEGINNING IN 1981)."

Amend the title as follows :

Page 1, delete line 4, and insert "loans to businesses;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred :

H. F. No. 1884, A bill for an act relating to commerce; providing an alternative distribution of assets following voluntary dissolution of a cooperative association; amending Minnesota Statutes 1982, section 308.14, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred :

H. F. No. 1967, A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.783, by adding a subdivision; 245.812, subdivisions 3, 4 and 7, and by adding subdivisions; and 462.357, subdivisions 7, 8, and by adding subdivisions.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 245.783, is amended by adding a subdivision to read:

*Subd. 7. When issuing new licenses pursuant to this section, the commissioner shall implement a policy preference for residential facilities serving less than 17 individuals who are mentally retarded.*

Sec. 2. Minnesota Statutes 1982, section 245.812, is amended by adding a subdivision to read:

*Subd. 2a. It is the policy of this state that handicapped persons and children should not be excluded by municipal zoning ordinances or other land use regulations from the benefits of normal residential surroundings.*

Sec. 3. Minnesota Statutes 1982, section 245.812, subdivision 3, is amended to read:

Subd. 3. A licensed residential facility serving six or fewer persons or a licensed day care facility serving (TEN) 12 or fewer persons shall be considered a permitted single family residential use of property for the purposes of zoning.

Sec. 4. Minnesota Statutes 1982, section 245.812, subdivision 4, is amended to read:

Subd. 4. (UNLESS OTHERWISE PROVIDED IN ANY TOWN, MUNICIPAL OR COUNTY ZONING REGULATION,) A licensed (DAY CARE OR) residential facility serving from seven through sixteen persons or a licensed day care facility serving from 13 to 16 persons shall be considered a permitted multi-family residential use of property (FOR PURPOSES OF ZONING) if otherwise permitted by local zoning regulations applicable to all uses within the district including requirements concerning population density and distribution. A township, municipal or county zoning authority may require a conditional use or special use permit in order to assure proper health, safety, maintenance and operation of a facility, provided that no conditions shall be imposed on the homes which are more restrictive than those imposed on other conditional uses or special uses of residential property in the same zones (, UNLESS SUCH ADDITIONAL CONDITIONS ARE NECESSARY TO PROTECT THE HEALTH AND SAFETY OF THE RESIDENTS OF THE FACILITY. NOTHING HEREIN SHALL BE CONSTRUED TO EXCLUDE OR PROHIBIT RESIDENTIAL HOMES FROM SINGLE FAMILY ZONES IF OTHERWISE PERMITTED BY A LOCAL ZONING REGULATION). *The*

*zoning authority may require a periodic review of the permit if required of all conditional use or special use permits. Residential facilities may not be excluded or prohibited from any zoning district or subjected to more restrictive standards than other uses within the district solely on the basis of the nature of the disabilities or other characteristics of the persons served by a facility.*

Sec. 5. Minnesota Statutes 1982, section 245.812, subdivision 7, is amended to read:

Subd. 7. (a) Residential facilities for adult mentally ill persons established on or before July 1, 1980, are exempt from the requirements of this section until July 1, (1984) 1985. (THE COMMISSIONER SHALL DEVELOP A MECHANISM FOR ENSURING FULL COMPLIANCE WITH THIS SECTION BY RESIDENTIAL FACILITIES FOR ADULT MENTALLY ILL PERSONS BY JULY 1, 1984.)

(b) *Before January 1, 1985, each county having one or more group residential facilities within 1,320 feet of any existing group residential facility shall submit to the department of public welfare a plan to promote dispersal of group residential facilities. In formulating its plan, the county shall solicit the participation of affected persons, facilities, municipalities having highly concentrated residential facility populations, and advocacy groups. For purposes of this subdivision, "highly concentrated" means having a population in residential facilities serving seven or more persons that exceeds one-half of one percent of the population of a recognized planning district or other administrative subdivision.*

(c) *Within 45 days after submission of the plan by the county, the commissioner shall certify whether the plan fulfills the purposes and requirements of this subdivision including the following requirements.*

(1) *No new facility serving seven or more persons shall be located in any recognized planning district or other administrative subdivision where the population in residential facilities is highly concentrated.*

(2) *The county plan shall promote dispersal of highly concentrated residential facility populations.*

(3) *The county plan shall promote the development of residential facilities in areas that are not highly concentrated.*

(4) *No person in a residential facility shall be displaced as a result of this section until a relocation plan has been implemented that provides for an acceptable alternative placement.*

(5) *If the plan provides for the relocation of residential facilities, the relocation shall be completed by January 1, 1990.*

*If the commissioner certifies that the plan does not do so, he shall state the reasons, and the county shall have 30 days to submit a plan amended to comply with the requirements of the commissioner.*

(d) *After July 1, 1985, the commissioner may reduce grants pursuant to section 245.73 to a county required to have an approved plan under clause (b) if the county does not have a plan approved by the commissioner. The county board has the right to be provided with advance notice and to appeal the commissioner's decision. If the county requests a hearing within 30 days of the notification of intent to reduce grants, the commissioner shall not certify any reduction in grants until a hearing is conducted and a decision rendered in accordance with the contested case provisions of chapter 14.*

Sec. 6. Minnesota Statutes 1982, section 462.357, is amended by adding a subdivision to read:

*Subd. 6a. It is the policy of this state that handicapped persons and children should not be excluded by municipal zoning ordinances or other land use regulations from the benefits of normal residential surroundings. For purposes of subdivisions 6a through 9, "person" has the meaning given in section 245.782, subdivision 2.*

Sec. 7. Minnesota Statutes 1982, section 462.357, subdivision 7, is amended to read:

Subd. 7. [PERMITTED SINGLE FAMILY USE.] (IN ORDER TO IMPLEMENT THE POLICY OF THIS STATE THAT MENTALLY RETARDED AND PHYSICALLY HANDICAPPED PERSONS SHOULD NOT BE EXCLUDED BY MUNICIPAL ZONING ORDINANCES FROM THE BENEFITS OF NORMAL RESIDENTIAL SURROUNDINGS,) A state licensed (GROUP HOME OR FOSTER HOME) residential facility serving six or fewer (MENTALLY RETARDED OR PHYSICALLY HANDICAPPED) persons or a licensed day care facility serving 12 or fewer persons shall be considered a permitted single family residential use of property for the purposes of zoning.

Sec. 8. Minnesota Statutes 1982, section 462.357, subdivision 8, is amended to read:

Subd. 8. [PERMITTED MULTI-FAMILY USE.] (UNLESS OTHERWISE PROVIDED IN ANY TOWN, MUNICIPAL OR COUNTY ZONING REGULATION AS AUTHORIZED BY THIS SUBDIVISION,) A (STATE) licensed



residential facility serving from 7 through 16 (MENTALLY RETARDED OR PHYSICALLY HANDICAPPED) persons or a licensed day care facility serving from 13 to 16 persons shall be considered a permitted multi-family residential use of property (FOR PURPOSES OF ZONING) if otherwise permitted by local zoning regulations applicable to all uses within the district including requirements concerning population density and distribution. A township, municipal or county zoning authority may require a conditional use or special use permit in order to assure proper health, safety, maintenance and operation of a facility, provided that no conditions shall be imposed on the homes which are more restrictive than those imposed on other conditional uses or special uses of residential property in the same zones (, UNLESS THE ADDITIONAL CONDITIONS ARE NECESSARY TO PROTECT THE HEALTH AND SAFETY OF THE RESIDENTS OF THE RESIDENTIAL FACILITY FOR THE MENTALLY RETARDED OR THE PHYSICALLY HANDICAPPED. NOTHING HEREIN SHALL BE CONSTRUED TO EXCLUDE OR PROHIBIT RESIDENTIAL HOMES FOR THE MENTALLY RETARDED OR PHYSICALLY HANDICAPPED FROM SINGLE FAMILY ZONES IF OTHERWISE PERMITTED BY A LOCAL ZONING REGULATION). *The zoning authority may require a periodic review of the permit if required of all conditional use or special use permits. Residential facilities may not be excluded or prohibited from any zoning district or subjected to more restrictive standards than other uses within the district solely on the basis of the nature of the disabilities or other characteristics of the persons served by a facility.*

Sec. 9. [EFFECTIVE DATE.]

*Sections 1 to 8 are effective the day after final enactment."*

Amend the title as follows:

Page 1, line 13, delete "subdivisions" and insert "a subdivision"

Page 1, line 14, delete the second "subdivisions" and insert "a subdivision"

With the recommendation that when so amended the bill pass.

The report was adopted.

Tomlinson from the Committee on Taxes to which was referred:

H. F. No. 2122, A bill for an act relating to local government; providing for the distribution of certain federal payments in

lieu of property taxes; proposing new law coded in Minnesota Statutes, chapter 471.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**“Section 1. [471.653] [DISTRIBUTION OF CERTAIN FEDERAL PAYMENTS.]**

*Federal payment in lieu of taxes on entitlement lands made pursuant to 31 United States Code, sections 6901 to 6906 shall be transferred by a county to a home rule or statutory city or town where the entitlement land is located if the county board determines that the statutory or home rule city or town is the principal provider of governmental services affecting the use of entitlement lands. The county board shall make its determination based on factors which shall include, but not be limited to: (1) whether the city or town has at least 40 acres of land within the entitlement lands; (2) whether city or town roads are the primary access to the entitlement lands; (3) whether the city or town provides specific services to the entitlement lands such as fire protection, police protection, and search and rescue services; and (4) whether the city or town is primarily responsible for land use planning and official controls.*

*The distribution of federal payment in lieu funds shall be made by the county board to a qualifying city or town in the proportion that the acreage of entitlement land located in each bears to the total acreage of entitlement land in the county except that no more than 30 percent of the total payment in lieu shall be distributed to all qualifying cities and towns.*

**Sec. 2. [EFFECTIVE DATE.]**

*This act is effective January 1, 1985.”*

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. 2135, A bill for an act relating to public safety; prohibiting the state fire marshal from adopting or enforcing certain rules relating to family or group family day care homes; amending Minnesota Statutes 1982, section 299F.011, by adding a subdivision.

Reported the same back with the following amendments :

Page 1, after line 8, insert :

“Section 1. Minnesota Statutes 1982, section 16.851, is amended by adding a subdivision to read :

*Subd. 4. A licensed day care center serving fewer than 30 preschool age persons and which is located in a below ground space in a church building is exempt from the state building code requirement for a ground level exit when the center has more than two stairways to the ground level and its exit.*

Sec. 2. Minnesota Statutes 1982, section 245.802, is amended by adding a subdivision to read :

*Subd. 4a. The commissioners of public welfare, public safety, and administration shall conduct a comprehensive study of the issues surrounding the licensure of family or group family day care homes and day care centers. The commissioners shall prepare a report for the legislature with recommendations for regulations that will ensure a safe environment for children but which do not discourage the provision of quality day care services. The report must be delivered to the appropriate legislative committees by February 1, 1985.*

*Before adopting any rules regulating family or group family day care homes, the commissioner of public welfare shall consult with the state fire marshal and the state building inspector. The fire marshal and the state building inspector shall review the rules to ensure compliance with laws that are administered and enforced by their agencies.”*

Page 1, line 12, delete “(a)”

Page 2, delete lines 2 to 5

Page 2, line 7, delete “Section 1 is” and insert “Sections 1 to 3 are”

Renumber remaining sections in sequence

Amend the title as follows :

Page 1, line 2, after the semicolon insert “exempting certain day care centers from a specific requirement of the state building code; requiring the commissioners of public welfare, public safety, and administration to prepare a report on day care licensure issues and to consult on rules;”

Page 1, line 5, delete "section" and insert "sections 16.851, by adding a subdivision; 245.802, by adding a subdivision; and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2151, A bill for an act relating to commerce; clarifying the limitations on enforcement of indemnification agreements in construction contracts; amending Minnesota Statutes 1983 Supplement, sections 337.01, subdivisions 2, 3, and 4; 337.02; 337.03; and 337.05, subdivision 2, and by adding subdivisions; and Laws 1983, chapter 333, section 6; proposing new law coded in Minnesota Statutes, chapter 337.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2198, A bill for an act relating to crimes; providing a penalty for falsely reporting a medical emergency; imposing a penalty; amending Minnesota Statutes 1983 Supplement, section 609.78.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2248, A bill for an act relating to probate; providing for ante-mortem probate of wills; proposing new law coded in Minnesota Statutes, chapter 525.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Norton from the Committee on Governmental Operations to which was referred:

H. F. No. 2263, A bill for an act relating to unemployment compensation; providing for an alternative method of determining credit weeks; raising the maximum contribution rate to eight percent except under certain circumstances; removing the contribution rate increase and decrease limitation; increasing an employer's experience ratio under certain circumstances; extending the emergency surcharge to repay interest on federal loans; tying the maximum weekly benefit amount to the balance in the unemployment compensation fund under certain circumstances; removing the limitation on the application of severance pay as it affects eligibility for benefits; changing certain conditions for requalifying for benefits; eliminating the split taxable wage base; amending Minnesota Statutes 1982, sections 268.04, subdivisions 24 and 30, and by adding a subdivision; 268.06, subdivision 8; 268.07, subdivision 2a; 268.071, subdivision 1; and 268.10, subdivision 1; Minnesota Statutes 1983 Supplement, sections 268.06, subdivision 3a; 268.061, subdivisions 1 and 3; 268.07, subdivision 2; 268.08, subdivisions 1 and 3; 268.09, subdivisions 1 and 2; and 268.10, subdivision 2; repealing Minnesota Statutes 1983 Supplement, section 268.06, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 268.04, subdivision 2, is amended to read:

Subd. 2. "Base period" means the (PERIOD OF 52 CALENDAR WEEKS IMMEDIATELY PRECEDING THE FIRST DAY OF AN INDIVIDUAL'S BENEFIT YEAR. HOWEVER, IF A CLAIMANT RECEIVED WEEKLY WORKER'S COMPENSATION FOR TEMPORARY TOTAL DISABILITY UNDER THE PROVISIONS OF CHAPTER 176 OR UNDER A SIMILAR LAW OF THE UNITED STATES FOR MORE THAN SEVEN WEEKS WITHIN THE BASE PERIOD, OR IF A CLAIMANT, WHOSE OWN SERIOUS ILLNESS CAUSED A LOSS OF CREDIT WEEKS WITHIN THE BASE PERIOD, RECEIVED COMPENSATION DUE TO THE ILLNESS FROM SOME OTHER SOURCE OR UNDER A LAW OF THIS STATE OTHER THAN CHAPTER 176 OR UNDER A SIMILAR LAW OF THE UNITED STATES FOR MORE THAN SEVEN WEEKS WITHIN THE BASE PERIOD, THE CLAIMANT'S BASE PERIOD SHALL BE LENGTHENED BY THE SAME NUMBER OF WEEKS, BUT NOT TO EXCEED 52 WEEKS, FOR WHICH THE CLAIMANT RECEIVED THE PAYMENTS. NO EXTENDED BASE PERIOD SHALL INCLUDE WAGE CREDITS UPON WHICH BENEFITS WERE ESTABLISHED AND PAID WITH RESPECT TO A PRIOR VALID CLAIM) *first four of the last five completed calendar*

quarters immediately preceding the first day of an individual's benefit year. However, if during the last base period an individual received workers' compensation for temporary disability under chapter 176 or under similar law of the United States, or if an individual, whose own serious illness caused a loss of work for which the individual received compensation due to the illness from some other source or under a law of this state, other than chapter 176 or under a similar law of the United States, the individual's base period shall be lengthened to the extent stated as follows:

(a) If an individual was compensated, as described above, for a loss of work of seven to 19 weeks, the original base period shall be extended to include the first calendar quarter preceding the original base period; or

(b) If an individual was compensated, as described above, for a loss of work of 20 to 32 weeks, the original base period shall be extended to include two calendar quarters preceding the base period; or

(c) If an individual was compensated, as described above, for a loss of work from 33 to 45 weeks, the original base period shall be extended to include the first three calendar quarters preceding the base period; or

(d) If an individual was compensated, as described above, for a loss of work from 46 to 52 weeks, the original base period shall be extended to include the first four quarters preceding the base period.

In no instance shall the base period be extended to include more than four additional calendar quarters.

No extended base period shall include wage credits upon which a claim was established and benefits were paid with respect to that valid claim.

Sec. 2. Minnesota Statutes 1982, section 268.04, subdivision 24, is amended to read:

Subd. 24. "Valid claim" with respect to any individual means a claim filed by an individual who has registered for work and who has earned wage credits (AND ESTABLISHED CREDIT WEEKS) during his base period sufficient to entitle him to benefits under section 268.07, subdivision 2.

Sec. 3. Minnesota Statutes 1983 Supplement, section 268.04, subdivision 25, is amended to read:

Subd. 25. [WAGES.] "Wages" means all remuneration for services, including commissions and bonuses, back pay as of the

date of payment, and tips and gratuities paid to an employee by a customer of an employer and accounted for by the employee to the employer, and the cash value of all remuneration in any medium other than cash, except that such term shall not include:

(a) For the purpose of determining contributions payable under section 268.06, subdivision 2, that part of the remuneration which exceeds, for each calendar year, the greater of (7,000 OR THAT PART OF THE REMUNERATION WHICH EXCEEDS 60 PERCENT OF THE AVERAGE ANNUAL WAGE ROUNDED TO THE NEAREST \$100 COMPUTED IN ACCORDANCE WITH THE PROVISIONS OF CLAUSE (F)) \$10,400 for the calendar year 1985; \$10,700 for the calendar year 1986; \$11,000 for the calendar year 1987; and for each subsequent calendar year the amount of the previous year increased to the nearest \$100 by the percentage, rounded to the nearest tenth of one percent, by which the average annual wage computed under clause (f) exceeds the average annual wage for the immediately preceding calendar year, paid to an individual by an employer with respect to covered employment in this state, or with respect to employment under the unemployment compensation law of any other state during any calendar year paid to such individual by such covered employer or his predecessor during such calendar year; provided, that if the term "wages" as contained in the Federal Unemployment Tax Act is amended to include remuneration in excess of the amount required to be paid hereunder to an individual by an employer under the federal act for any calendar year, wages for the purposes of sections 268.03 to 268.24 shall include remuneration paid in a calendar year up to an amount equal to the dollar limitation specified in the Federal Unemployment Tax Act. For the purposes of this clause, the term "employment" shall include service constituting employment under any employment security law of another state or of the federal government;

(b) The amount of any payment made to, or on behalf of, an employee under a plan or system established by an employer which makes provision for his employees generally or for a class or classes of his employees (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment), on account of (1) retirement or (2) sickness or accident disability or (3) medical and hospitalization expenses in connection with sickness or accident disability, or (4) death, provided the employee has not the option to receive, instead of provision for such death benefit, any part of such payment, or if such death benefit is insured, any part of the premium (or contributions to premiums) paid by his employer and has not the right, under the provisions of the plan or system or policy of insurance providing for such death benefit, to assign such benefit, or to receive a cash consideration in lieu of such benefit either upon his withdrawal from the plan or system providing for such benefit or upon termination of such plan or system or policy of insurance or of his employment with such employer;

(c) The payment by an employer (without deduction from the remuneration of the employee) (1) of the tax imposed upon an employee under section 3101 of the federal Internal Revenue Code, or (2) of any payment required from an employee under a state unemployment compensation law, with respect to remuneration paid to an employee for domestic service in a private home of the employer or for agricultural labor;

(d) Any payments made to a former employee during the period of active military service in the armed forces of the United States by such employer, whether legally required or not;

(e) Any payment made to, or on behalf of, an employee or his beneficiary (1) from or to a trust described in section 401(a) of the federal Internal Revenue Code which is exempt from tax under section 501(a) of such code at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as an employee and not as a beneficiary of the trust, or (2) under or to an annuity plan which, at the time of such payment is a plan described in section 403(a) of the federal Internal Revenue Code, or (c) under or to a bond purchase plan which, at the time of such payment, is a qualified bond purchase plan described in section 405(a) of the federal Internal Revenue Code;

(f) On or before July 1 of each year the commissioner shall determine the average annual wage paid by employers subject to sections 268.03 to 268.24 in the following manner:

(1) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment;

(2) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

The average annual wage determined shall be effective for the calendar year next succeeding the determination.

Sec. 4. Minnesota Statutes 1983 Supplement, section 268.04, subdivision 29, is amended to read:

Subd. 29. "Credit week" is any week for which wages or back pay, actually or constructively paid, wages overdue and delayed beyond the usual time of payment, and back pay by or from one or more employers to an employee for insured work equal or exceed (30 PERCENT OF THE AVERAGE WEEKLY WAGE COMPUTED TO THE NEAREST WHOLE DOLLAR. ON OR BEFORE JUNE 30 OF EACH YEAR THE COMMISSIONER SHALL DETERMINE THE AVERAGE WEEKLY WAGE



PAID BY EMPLOYERS SUBJECT TO SECTIONS 268.03 TO 268.24 IN THE FOLLOWING MANNER:)

((A) THE SUM OF THE TOTAL MONTHLY EMPLOYMENT REPORTED FOR THE PREVIOUS CALENDAR YEAR SHALL BE DIVIDED BY 12 TO DETERMINE THE AVERAGE MONTHLY EMPLOYMENT;)

((B) THE SUM OF THE TOTAL WAGES REPORTED FOR THE PREVIOUS CALENDAR YEAR SHALL BE DIVIDED BY THE AVERAGE MONTHLY EMPLOYMENT TO DETERMINE THE AVERAGE ANNUAL WAGE; AND)

((C) THE AVERAGE ANNUAL WAGE SHALL BE DIVIDED BY 52 TO DETERMINE THE AVERAGE WEEKLY WAGE.)

(THE AVERAGE WEEKLY WAGE AS SO DETERMINED COMPUTED TO THE NEAREST WHOLE DOLLAR SHALL APPLY TO CLAIMS FOR BENEFITS WHICH ESTABLISH A BENEFIT YEAR WHICH BEGINS SUBSEQUENT TO DECEMBER 31 OF THE YEAR OF THE COMPUTATION) \$94.

Sec. 5. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:

*Subd. 34. [CONTRIBUTION REPORT.] "Contribution report" means the summary report of wages and employment used to determine the amount of contributions due by employers on a calendar quarter basis. An auxiliary report of wages and employment broken down by business locations, when required, is part of the contribution report.*

Sec. 6. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:

*Subd. 35. [WAGE DETAIL REPORT.] "Wage detail report" means the itemized report used to record the information required by section 268.121.*

Sec. 7. Minnesota Statutes 1982, section 268.04, is amended by adding a subdivision to read:

*Subd. 36. [HIGH QUARTER.] "High quarter" means the calendar quarter in an individual's base period for which the total wage credits paid to the individual during that quarter are equal to or greater than the total wage credits paid to the individual during any other calendar quarter in the individual's base period.*

Sec. 8. Minnesota Statutes 1983 Supplement, section 268.06, subdivision 2, is amended to read:

Subd. 2. [RATES.] Each employer shall pay contributions equal to two and seven-tenths percent for each calendar year prior to 1985 and 5-4/10 percent for 1985 and each subsequent calendar year of wages paid and wages overdue and delayed beyond the usual time of payment from him with respect to employment occurring during each calendar year, except as may be otherwise prescribed in subdivisions 3a and 4. (EACH EMPLOYER WHO HAS AN EXPERIENCE RATIO OF LESS THAN ONE-TENTH OF ONE PERCENT SHALL PAY CONTRIBUTIONS ON ONLY THE FIRST \$8,000 IN WAGES PAID AND WAGES OVERDUE AND DELAYED BEYOND THE USUAL TIME OF PAYMENT TO EACH EMPLOYEE WITH RESPECT TO EMPLOYMENT OCCURRING DURING EACH CALENDAR YEAR.)

Sec. 9. Minnesota Statutes 1983 Supplement, section 268.06, subdivision 3a, is amended to read:

Subd. 3a. [RATE FOR NEW EMPLOYERS.] Notwithstanding the provisions of subdivision 2, each employer, who becomes subject to this law, shall pay contributions at a rate:

(a) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's three-year benefit cost rate for the 36 consecutive month period immediately preceding July 1 of each year for each employer who becomes subject to this law prior to January 1, 1984. For purposes of this clause, the state's three-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 36 consecutive calendar months immediately preceding July 1 of each year by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

(b) Not exceeding 2-7/10 percent, that is the higher of (1) one percent and (2) the state's four-year benefit cost rate for the 48 consecutive month period immediately preceding July 1 of each year for each employer, except employers in the construction industry, as determined by the commissioner, who becomes subject to this law subsequent to December 31, 1983 and prior to January 1, 1985. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants under this law during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year 1984.

Each construction employer described above who becomes subject to chapter 268 shall pay contributions at a rate, not exceeding (7.5 PERCENT) *the maximum rate specified in subdivision 8*, that is the higher of (1) one percent, or (2) the state's four-year benefit cost rate for construction employers for the 48 consecutive month period immediately preceding July 1, 1983. For purposes of this clause, the state's four-year benefit cost rate shall be computed and derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 48 consecutive calendar months immediately preceding July 1, 1983 by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year 1984.

(c) Not exceeding 5-4/10 percent, that is the higher of (1) one percent and (2) the state's five-year benefit cost rate for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter for each employer, except employers in the construction industry, as determined by the commissioner who becomes subject to this law on January 1, 1985 and thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants under this law during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages subject to contributions under this law during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Each construction employer described above who becomes subject to this chapter shall pay contributions at a rate, not exceeding (7.5 PERCENT) *the maximum rate specified in subdivision 8*, that is the higher of (1) one percent, or (2) the state's five-year benefit cost rate for construction employers for the 60 consecutive month period immediately preceding July 1, 1984 and each year thereafter. For purposes of this clause, the state's five-year benefit cost rate shall be computed annually and shall be derived by dividing the total dollar amount of benefits paid to claimants of construction employers, as determined by the commissioner, during the 60 consecutive calendar months immediately preceding July 1, 1984 and each year thereafter by the total dollar amount of wages of construction employers subject to contributions during the same period. The rate so determined shall be applicable for the calendar year next succeeding each computation date.

Sec. 10. Minnesota Statutes 1982, section 268.06, subdivision 6, is amended to read:

Subd. 6. [COMPUTATION OF EACH EMPLOYER'S EXPERIENCE RATIO.] The commissioner shall, for the calendar

year 1966, and for each calendar year thereafter, compute an experience ratio for each employer whose account has been chargeable with benefits;

(a) During the 36 consecutive calendar months immediately preceding July 1 of the preceding calendar year for calendar years up to December 31, 1983; except that, for any employer who has not been subject to the Minnesota employment services law for a period of time sufficient to meet the 36 consecutive months requirement, the commissioner shall compute an experience ratio if his account has been chargeable with benefits during at least the 12 consecutive calendar months immediately preceding July 1 of the preceding calendar year. Such experience ratio shall be the quotient obtained by dividing  $1\frac{1}{4}$  times the total benefits charged to the employer's account during the period his account has been chargeable but not less than the 12 or more than the 36 consecutive calendar months ending on June 30 of the preceding calendar year, by his total taxable payroll for the same period on which all contributions due have been paid to the department of economic security on or before July 31 of the preceding calendar year. Such experience ratio shall be computed to the nearest one-tenth of a percent.

(b) During the 48 consecutive calendar months immediately preceding July 1, 1983 for the calendar year for 1984; except that, for any employer who has not been subject to the Minnesota employment services law for a period of time sufficient to meet the 48 consecutive months requirement, the commissioner shall compute an experience ratio if his account has been chargeable with benefits during at least the 12 consecutive calendar months immediately preceding July 1, 1983. Such experience ratio shall be the quotient obtained by dividing  $1\frac{1}{4}$  times the total benefits charged to the employer's account during the period his account has been chargeable but not less than the 12 or more than the 48 consecutive calendar months ending on June 30, 1983, by his total taxable payroll for the same period on which all contributions due have been paid to the department of economic security on or before July 31, 1983. Such experience ratio shall be computed to the nearest one-tenth of a percent.

(c) During the 60 consecutive calendar months immediately preceding July 1 of the preceding calendar year for 1985 and each year thereafter; except that, for any employer who has not been subject to the Minnesota employment services law for a period of time sufficient to meet the 60 consecutive months requirement, the commissioner shall compute an experience ratio if his account has been chargeable with benefits during at least the 12 consecutive calendar months immediately preceding July 1 of the preceding calendar year. Such experience ratio shall be the quotient obtained by dividing (1-1/4 TIMES) the total benefits charged to the employer's account during the period his account has been chargeable but not less than the 12 or more than the 60 consecutive calendar months ending on June 30 of the pre-

ceding calendar year for 1985 and each year thereafter, by his total taxable payroll for the same period on which all contributions due have been paid to the department of economic security on or before July 31 of the preceding calendar year. Such experience ratio shall be computed to the nearest one-tenth of a percent.

Sec. 11. Minnesota Statutes 1982, section 268.06, subdivision 8, is amended to read:

Subd. 8. [DETERMINATION OF CONTRIBUTION RATES.] (1) For each calendar year the commissioner shall determine the contribution rate of each employer by adding the minimum rate (TO), the *employer's* experience ratio, (EXCEPT THAT IF THE RATIO FOR THE CURRENT CALENDAR YEAR INCREASES OR DECREASES THE EXPERIENCE RATIO FOR THE PRECEDING CALENDAR YEAR BY MORE THAN ONE AND ONE-HALF PERCENTAGE POINTS FOR 1982; AND 2-1/2 PERCENTAGE POINTS FOR 1983 AND EACH YEAR THEREAFTER, THE INCREASE OR DECREASE FOR THE CURRENT YEAR SHALL BE LIMITED TO ONE AND ONE-HALF PERCENTAGE POINTS FOR 1982; AND 2-1/2 PERCENTAGE POINTS FOR 1983 AND EACH YEAR THEREAFTER, PROVIDED THAT A SMALL BUSINESS EMPLOYER SHALL BE ELIGIBLE, UPON APPLICATION, FOR A REDUCTION IN THE LIMITATION TO 1-1/2 PERCENTAGE POINTS FOR 1983 AND EACH YEAR THEREAFTER. "SMALL BUSINESS EMPLOYER" FOR THE PURPOSE OF THIS SUBDIVISION MEANS AN EMPLOYER WITH AN ANNUAL COVERED PAYROLL OF \$250,000 OR LESS, OR FEWER THAN 20 EMPLOYEES IN THREE OF THE FOUR QUARTERS ENDING JUNE 30, OF THE PREVIOUS CALENDAR YEAR) *and the solvency rate if applicable.*

(2) The minimum rate for all employers shall be (ONE PERCENT IF THE AMOUNT IN THE UNEMPLOYMENT COMPENSATION FUND IS LESS THAN \$80,000,000 ON JUNE 30 OF THE PRECEDING CALENDAR YEAR; OR NINE-TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$80,000,000 BUT LESS THAN \$90,000,000; OR EIGHT-TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$90,000,000 BUT LESS THAN \$110,000,000; OR) seven-tenths of one percent (IF THE FUND IS MORE THAN \$110,000,000 BUT LESS THAN \$130,000,000; OR SIX-TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$130,000,000 BUT LESS THAN \$150,000,000; OR FIVE-TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$150,000,000 BUT LESS THAN \$170,000,000; OR THREE-TENTHS OF ONE PERCENT IF THE FUND IS MORE THAN \$170,000,000 BUT LESS THAN \$200,000,000; OR ONE-TENTH OF ONE PERCENT IF THE FUND IS \$200,000,000 OR MORE; PROVIDED THAT NO EMPLOYER SHALL HAVE A CONTRIBUTION RATE OF MORE THAN 7.5 PERCENT).

(3) A solvency rate for each employer shall be determined as follows:

(a) All employers, except those making payments in lieu of contributions, shall be assessed a solvency rate of one-fourth of one percent for calendar year 1985 and for each year thereafter until the amount in the unemployment compensation fund is more than \$50,000,000 on April 1 in which year the solvency rate shall be assessed for only its first two calendar quarters.

(b) Employers who have had benefits charged to their experience rating account during their applicable experience rating period shall be assessed an additional solvency rate of three-tenths of one percent for calendar year 1985 and each year thereafter if the amount in the unemployment compensation fund on June 30 of the preceding year is less than \$80,000,000, two-tenths of one percent if \$80,000,000 but less than \$90,000,000, and one-tenth of one percent if \$90,000,000 but less than \$110,000,000.

(4) The maximum contribution rate shall be eight percent until the amount in the unemployment compensation fund on April 1 of the preceding calendar year is more than \$50,000,000 and shall be 7-1/2 percent thereafter.

(5) For the purposes of this section the unemployment compensation fund shall not include any moneys advanced from the Federal Unemployment Account in the unemployment trust fund in accordance with Title XII of the Social Security Act, as amended. (NO EMPLOYER FIRST ASSIGNED AN EXPERIENCE RATIO IN ACCORDANCE WITH SUBDIVISION 6, SHALL HAVE HIS CONTRIBUTION RATE INCREASED OR DECREASED BY MORE THAN ONE AND ONE-HALF PERCENTAGE POINTS FOR 1982; AND 2-1/2 PERCENTAGE POINTS FOR 1983 AND EACH YEAR THEREAFTER OVER THE CONTRIBUTION RATE ASSIGNED FOR THE PRECEDING CALENDAR YEAR IN ACCORDANCE WITH SUBDIVISION 3A, PROVIDED THAT A SMALL BUSINESS EMPLOYER SHALL BE ELIGIBLE, UPON APPLICATION, FOR A REDUCTION IN THE LIMITATION TO 1-1/2 PERCENTAGE POINTS FOR 1983 AND EACH YEAR THEREAFTER.)

Sec. 12. Minnesota Statutes 1983 Supplement, section 268.061, is amended to read:

268.061 [SURCHARGE; EMERGENCY INTEREST REPAYMENT FUND.]

Subdivision 1. [AMOUNT.] (1) Each employer, except those making payments in lieu of contributions pursuant to section 268.06, subdivisions 25, 26, 27 and 28, shall pay an

annual surcharge of ten percent of contributions paid or due and payable for the *previous* calendar (YEARS 1982 AND 1983) year; except that the surcharge shall not apply to any calendar year if:

(a) *the amount in the unemployment compensation fund is \$50,000,000 or more on April 1 and on the immediately preceding December 31, September 30, June 30, and April 1; and*

(b) *there were no outstanding Title XII advances or Title XII interest obligations on the dates specified.*

(2) The commissioner shall notify employers of the contributions upon which the surcharge is based and the amount of surcharge payable no later than August 1 (, 1983, AND AUGUST 1, 1984) of each calendar year. The surcharge for a taxable year (1982) shall be paid no later than August 31 (, 1983, AND THE SURCHARGE FOR TAXABLE YEAR 1983 SHALL BE PAID NO LATER THAN AUGUST 31, 1984).

(3) Payments due under this subdivision are subject to the collection provisions of sections 268.16 and 268.161. The surcharges paid under this subdivision are not contributions for the purposes of section 268.06, subdivision 6. (THE COMMISSIONER MAY TEMPORARILY REDUCE THE AMOUNT OF SURCHARGE IMPOSED BY THIS SECTION WHEN THERE ARE SUFFICIENT FUNDS RAISED BY THE SURCHARGE TO MAKE THE INTEREST PAYMENT REQUIRED ON FEDERAL FUNDS ADVANCED TO THE STATE UNDER SECTION 1202 OF THE SOCIAL SECURITY ACT.)

(4) *For the purposes of this section, the unemployment compensation fund shall not include any money advanced from the federal unemployment account in the unemployment trust fund in accordance with Title XII of the Social Security Act.*

Subd. 2. [EMERGENCY INTEREST REPAYMENT FUND, CREATION.] A special fund to be known as the emergency interest repayment fund is created in the state treasury. The special fund is separate and distinct from any fund or account created for any other purposes of sections 268.03 to 268.24. All collections from the surcharge shall be deposited in the special fund. All money in the special fund is appropriated to the commissioner to *repay advances and to pay interest or principal* accruing on funds advanced from the federal government pursuant to section 1202 of the Social Security Act, and shall not be used for any other obligation of the state. All money in this fund shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as are provided by law for the other special funds in the

state treasury, except that all interest or net income resulting from the investment or deposit of money in the fund shall accrue to the emergency fund for the purposes of the fund.

Subd. 3. [REPORT TO LEGISLATURE.] (ON JANUARY 1, 1984, AND ON JANUARY 1, 1985,) The commissioner shall report to the legislature *annually* on the status of the outstanding funds advanced pursuant to section 1202 of the Social Security Act, including the interest charged on those funds. When all advanced funds and the interest charged on those funds have been repaid to the federal government, the commissioner shall recommend appropriate action by the legislature relating to the termination of the emergency interest repayment fund and the disposition of any money still in the fund.

Sec. 13. Minnesota Statutes 1983 Supplement, section 268.07, subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] (IF THE COMMISSIONER FINDS THAT AN INDIVIDUAL HAS EARNED 15, OR MORE, CREDIT WEEKS WITHIN THE BASE PERIOD OF EMPLOYMENT IN INSURED WORK WITH ONE OR MORE EMPLOYERS, BENEFITS SHALL BE PAYABLE TO SUCH INDIVIDUAL DURING HIS BENEFIT YEAR AS FOLLOWS:)

((1) WEEKLY BENEFIT AMOUNT SHALL BE EQUAL TO 60 PERCENT OF THE FIRST \$85, 40 PERCENT OF THE NEXT \$85 AND 50 PERCENT OF THE REMAINDER OF THE AVERAGE WEEKLY WAGE OF SUCH INDIVIDUAL. THE AMOUNT SO COMPUTED IF NOT A WHOLE DOLLAR SHALL BE ROUNDED DOWN TO THE NEXT LOWER DOLLAR AMOUNT.) (1) *To establish a valid claim for unemployment insurance benefits, an individual must have:*

(a) *wage credits in two or more calendar quarters of their base period;*

(b) *minimum total base period wage credits equal to the high quarter wages multiplied by 1.25 for claims effective prior to July 1, 1986, by 1.3 for claims effective subsequent to July 1, 1986, and prior to July 1, 1987, by 1.4 for claims effective subsequent to July 1, 1987, and prior to July 1, 1988, and by 1.5 for claims effective after July 1, 1988; and*

(c) *for claims effective prior to July 1, 1986, high quarter wage credits of not less than \$1,222, and for claims effective subsequent to July 1, 1986, high quarter wage credits equivalent to 13 times 30 percent of the average weekly wage, rounded to the next lower dollar. The average weekly wage shall be determined in accordance with paragraph (3).*



(2) *Effective July 1, 1986, an individual who is unable to establish a valid claim under paragraph (1), clauses (a) to (c), may establish a valid claim if the individual has:*

(a) *wage credits in 30 or more weeks, with employment in each week equaling at least 20 hours; and*

(b) *wage credits of not less than \$871 or more than the amount determined in paragraph (1), clause (c).*

(3) *If the commissioner finds that an individual has sufficient wages within the base period to establish a valid claim, the weekly benefit amount payable to the individual during his benefit year shall equal 1/26 of the individual's high quarter wage credits, rounded to the next lower whole dollar; except that, the maximum weekly benefit amount of claims or benefits which establish a benefit year subsequent to July 1, 1979 shall be 66-2/3 percent of the average weekly wage, (EXCEPT AS PROVIDED IN CLAUSE (D)) as determined under this paragraph. On or before June 30 of each year the commissioner shall determine the average weekly wage paid by employers subject to sections 268.03 to 268.24 in the following manner:*

(a) *The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment.*

(b) *The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.*

(c) *The average annual wage shall be divided by 52 to determine the average weekly wage.*

*The maximum weekly benefit amount as so determined computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.*

(4) *Notwithstanding the provisions of paragraph (3), the maximum weekly benefit for claims for benefits which establish a benefit year subsequent to June 30, 1982, and prior to July 1, 1988, shall be as follows:*

((D)) (a) *The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1982, and prior to July 1, 1983, shall be \$184.*

(b) *The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1983, and prior to July 1, 1984, shall be \$191.*

(c) 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.

(d) *The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1985, and prior to July 1, 1986, shall be \$208.*

(e) *The maximum weekly benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1986, and prior to July 1, 1987, shall be \$228.*

(f) *The maximum benefit amount for claims for benefits which establish a benefit year subsequent to June 30, 1987, and prior to July 1, 1988, shall be \$258.*

(2) AN INDIVIDUAL'S MAXIMUM AMOUNT OF REGULAR BENEFITS PAYABLE IN A BENEFIT YEAR SHALL NOT EXCEED THE LESSER OF (A) 26 TIMES HIS WEEKLY BENEFIT AMOUNT OR (B) 70 PERCENT OF THE NUMBER OF CREDIT WEEKS EARNED BY SUCH AN INDIVIDUAL COMPUTED TO THE NEAREST WHOLE WEEK TIMES HIS WEEKLY BENEFIT AMOUNT) (5) *Any otherwise eligible individual shall be entitled during any benefit year to a total amount of benefits equal to one-third of his total base period wage credits rounded to the next lower dollar not to exceed 26 times his weekly benefit amount.*

(3) (6) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to his weekly benefit amount less that part of his earnings, (INCLUDING) *excluding* holiday pay, payable to him with respect to such week which is in excess of \$25 or \$200 for earnings from service in the national guard or a United States military reserve unit. Jury duty pay is not considered as earnings and shall not be deducted from benefits paid. Such benefit, if not a whole dollar amount shall be rounded down to the next lower dollar amount.

((4) THE PROVISIONS OF CLAUSES (1) AND (2) SHALL APPLY TO CLAIMS FOR BENEFITS WHICH ESTABLISH A BENEFIT YEAR SUBSEQUENT TO JUNE 30, 1983.)

Sec. 14. Minnesota Statutes 1982, section 268.07, subdivision 2a, is amended to read:

Subd. 2a. [EXCEPTION.] Notwithstanding the provisions of subdivision 2, if the commissioner finds that an individual has earned (CREDIT WEEKS) *wage credits* in seasonal employment, benefits shall be payable only if the commissioner finds that the individual has earned (15 CREDIT WEEKS) *wage*

*credits equal to or in excess of 30 times the individual's weekly benefit amount in employment which is not seasonal, in addition to any (CREDIT WEEKS) wage credits in seasonal employment. For the purposes of this subdivision, "seasonal employment" means employment with a single employer in the recreation or tourist industry which is available with the employer for 15 consecutive weeks or less each calendar year.*

Sec. 15. Minnesota Statutes 1983 Supplement, section 268.07, subdivision 3, is amended to read:

Subd. 3. [WHEN WAGE CREDITS ARE NOT AVAILABLE.] (1) (NO INDIVIDUAL MAY RECEIVE BENEFITS IN A BENEFIT YEAR UNLESS, SUBSEQUENT TO THE BEGINNING OF THE NEXT PRECEDING BENEFIT YEAR DURING WHICH BENEFITS WERE RECEIVED, THE INDIVIDUAL PERFORMED SERVICE IN INSURED WORK AS DEFINED IN SECTION 268.04, SUBDIVISION 17, AND EARNED REMUNERATION FOR THE SERVICE IN AN AMOUNT EQUAL TO NOT LESS THAN THE MINIMUM WAGE CREDITS REQUIRED TO QUALIFY FOR BENEFITS) *To establish a second benefit year following the expiration of an immediately preceding benefit year, an individual must have sufficient wage credits to establish a claim under the provisions of section 268.07 and must have performed services after the establishment of the expired benefit year. The services performed must have been in insured work and the wage credits from the services must equal not less than ten times the weekly benefit amount of the second benefit year.*

(2) No employer who provided 90 percent or more of the wage credits in a claimant's base period shall be charged for benefits based upon earnings of the claimant during a subsequent base period unless the employer has employed the claimant in any part of the subsequent base period.

(3) Wages paid by an employing unit may not be used for benefit purposes by any individual who (a) individually or jointly with a spouse, parent or child owns or controls directly or indirectly 25 percent or more interest in the employing unit; or (b) is the spouse, parent or minor child of any individual who owns or controls directly or indirectly 25 percent or more interest in the employing unit; and (c) is not permanently separated from employment.

This clause is effective when the individual has been paid four times the individual's weekly benefit amount in the current benefit year.

(4) Wages paid in seasonal employment, as defined in subdivision 2a, are not available for benefit purposes during weeks in which there is no seasonal employment available with the employer.

Sec. 16. Minnesota Statutes 1983 Supplement, section 268.08, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY CONDITIONS.] An individual shall be eligible to receive benefits with respect to any week of unemployment only if the commissioner finds that the individual:

(1) has registered for work at and thereafter has continued to report to an employment office, or agent of the office, in accordance with rules the commissioner may adopt; except that the commissioner may by rule waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which the commissioner finds that compliance with the requirements would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;

(2) has made a claim for benefits in accordance with rules as the commissioner may adopt; and

(3) was able to work and was available for work, and was actively seeking work. The individual's weekly benefit amount shall be reduced one-fifth for each day the individual is unable to work or is unavailable for work. Benefits shall not be denied by application of this clause to an individual who is in training with the approval of the commissioner or in training approved pursuant to section 236 of the Trade Act of 1974, as amended;

An individual is deemed unavailable for work with respect to any week which occurs in a period when the individual is a full-time student in attendance at, or on vacation from an established school, college or university unless a majority of the (CREDIT WEEKS) *wage credits* earned in the base period were for services performed during weeks in which the student was attending school as a full-time student. *If the individual's claim for benefits is valid by application of section 268.07, subdivision 2, paragraph (2), the individual shall be considered unavailable for work with respect to any week which occurs when the individual is a full-time student.*

An individual serving as a juror shall be considered as available for work and actively seeking work on each day the individual is on jury duty.

(4) has been unemployed for a waiting period of one week during which the individual is otherwise eligible for benefits under sections 268.03 to 268.24. However, payment for the waiting week shall be made to the individual after the individual has qualified for and been paid benefits for four weeks of unemployment in a benefit year which period of unemployment is terminated because of the individual's return to employment. No individual is required to serve a waiting period of more

than one week within the one year period subsequent to filing a valid claim and commencing with the week within which the valid claim was filed.

Sec. 17. Minnesota Statutes 1983 Supplement, section 268.09, is amended by adding a subdivision to read:

*Subd. 2a. An individual whose claim for benefits is valid by application of section 268.07, subdivision 2, paragraph (2), and is disqualified for benefits under subdivisions 1 and 2 of this section, other than for gross misconduct, shall be disqualified for waiting week credit and benefits. The disqualification shall continue until four weeks have elapsed following the separation or refusal of suitable work or reemployment and until the individual has worked for a minimum of 20 hours in each of four weeks.*

Sec. 18. Minnesota Statutes 1982, section 268.10, subdivision 1, is amended to read:

Subdivision 1. [FILING.] Claims for benefits shall be made in accordance with such regulations as the commissioner may prescribe. Each employer shall post and maintain printed statements of such regulations in places readily accessible to individuals in his service and shall make available to each such individual at the time he becomes unemployed, a printed statement of such regulations. Such printed statements shall be supplied by the commissioner to each employer without cost to him.

(1) Any employer upon separation of an employee from his employment for any reason which may result in disqualification for benefits under section 268.09, shall furnish to such employee a separation notice which shall provide the employer's name, address, and employer account number as registered with the department, the employee's name and social security account number, the inclusive dates of his employment, and the reason for the separation. A copy of such separation notice shall be filed with the commissioner within seven days of such separation. The commissioner shall require each individual filing a claim for benefits to establish a benefit year to furnish the reason for separation from all employers in his base period.

(2) (UPON THE FILING, BY AN INDIVIDUAL, OF A CLAIM FOR BENEFITS, THE COMMISSIONER SHALL GIVE NOTICE TO ALL SUCH BASE PERIOD EMPLOYERS OF THE FILING OF SUCH CLAIM AND REQUEST EACH SUCH BASE PERIOD EMPLOYER, WITHIN SEVEN DAYS AFTER THE MAILING OF SUCH NOTICE, TO FURNISH THE FOLLOWING INFORMATION:)

((A) THE TOTAL WAGE CREDITS EARNED IN THE BASE PERIOD;)

((B) THE NUMBER OF CREDIT WEEKS WHICH END WITHIN THE BASE PERIOD;)

((C) THE WEEK ENDING DATES FOR EACH CALENDAR WEEK WITHIN THE BASE PERIOD IN WHICH THE INDIVIDUAL EARNED LESS THAN THE AMOUNT REQUIRED TO MAKE A CREDIT WEEK AND THE AMOUNT OF EARNINGS IN EACH SUCH WEEK;)

((D) THE REASON FOR THE SEPARATION OR SEPARATIONS OF SUCH INDIVIDUAL FROM THE EMPLOY OF THE EMPLOYER IN THE BASE PERIOD; AND)

((E) SUCH EMPLOYER'S PROTEST, IF ANY, RELATING TO THE INELIGIBILITY OR DISQUALIFICATION OF SUCH INDIVIDUAL) *Upon establishment of a benefit year, the commissioner shall give notice to the last employer for whom the individual worked and all base period employers. The employer so notified shall have seven days after the mailing of the notice to file a protest to charges or raise an issue of ineligibility or disqualification.*

(3) (IF ANY BASE PERIOD EMPLOYER, AFTER THE NOTICE OF FILING OF A CLAIM AND THE REQUEST FOR WAGE AND SEPARATION INFORMATION HAS BEEN DULY MAILED TO HIS LAST KNOWN ADDRESS, FAILS TO FILE INFORMATION AS PROVIDED BY ITEMS (A) THROUGH (E) OF CLAUSE 2 OF THIS SUBDIVISION WITHIN SEVEN DAYS, THE COMMISSIONER SHALL:)

( (A) DETERMINE THE VALIDITY OF AN INDIVIDUAL'S CLAIM BASED ON THE CLAIMANT'S STATEMENTS OR ANY OTHER AVAILABLE INFORMATION. AN EMPLOYER SHALL BE LIABLE FOR A LATE FILING FEE OF NOT LESS THAN \$5 NOR MORE THAN \$25, AS THE COMMISSIONER MAY DETERMINE, TO BE PAID TO THE DEPARTMENT OF ECONOMIC SECURITY AND CREDITED TO THE CONTINGENT FUND IF HE HAS FAILED WITHOUT GOOD CAUSE TO SUBMIT THE WAGE AND SEPARATION INFORMATION AS REQUIRED IN CLAUSE 2 OF THIS SUBDIVISION WITHIN SEVEN DAYS AFTER THE REQUEST HAS BEEN DULY MAILED TO HIS LAST KNOWN ADDRESS) *If, upon review of the wage information on file with the department it is found that an employer failed to provide wage information for the claimant, the commissioner shall accept a claimant certification as to the wages earned, based upon the claimant's records, and issue a monetary determination of validity based upon the certification. The employer who failed to report the individual's wages or filed an erroneous report shall be penalized in accordance with section 268.16 or 268.18. In the absence of fraud, if a redetermination of validity of claim based on an employer's late or erroneous report subsequently cancels or reduces the amount of*

benefits to which a claimant was entitled under the initial determination, the claimant shall not be required to make repayment to the fund of any benefits paid to him prior to such re-determination (; AND).

((B) (4) *The commissioner shall determine any issue of disqualification raised by clause (1) or by an employer's late report. If an employer fails to file a separation notice within the time limits prescribed in clause (1), any relief from benefit charges provided by section 268.09, subdivision 1, clause (4), shall apply to weeks of unemployment beginning after the filing of the late report.*

Sec. 19. Minnesota Statutes 1983 Supplement, section 268.10, subdivision 2, is amended to read:

Subd. 2. [EXAMINATION OF CLAIMS; DETERMINATION; APPEAL.] (1) An official, designated by the commissioner, shall promptly examine each claim for benefits filed to establish a benefit year pursuant to this section, and, on the basis of the facts found, shall determine whether or not such claims are valid, and if valid, the weekly benefit amount payable, the maximum benefit amount payable during the benefit year, and the date the benefit year terminates, and this determination shall be known as the determination of validity. Notice of the determination of validity or any redetermination as provided for in clause (4) shall be promptly given the claimant and all other interested parties. (IF WITHIN THE TIME LIMITS FOR FILING A PROTEST AN EMPLOYER NOTIFIES THE DEPARTMENT THAT AN INDIVIDUAL'S WEEKLY BENEFIT AMOUNT AS DETERMINED UNDER SECTION 268.07 EXCEEDS THE INDIVIDUAL'S WEEKLY WAGES EARNED WITH THE EMPLOYER, THE INDIVIDUAL'S WEEKLY BENEFIT AMOUNT SHALL BE THE LESSER OF (1) THE WEEKLY BENEFIT AMOUNT AS DETERMINED UNDER SECTION 268.07, OR (2) THE WEEKLY BENEFIT AMOUNT WHICH IS 50 PERCENT OF THE QUOTIENT DERIVED BY DIVIDING THE TOTAL WAGE CREDITS EARNED IN THE INDIVIDUAL'S BASE PERIOD CREDIT WEEKS FROM ALL EMPLOYERS IN INSURED WORK BY THE NUMBER OF BASE PERIOD CREDIT WEEKS.) If within the time specified for the filing of (WAGE AND SEPARATION INFORMATION) a *protest* as provided in subdivision 1, clause (2), the employer makes an allegation of disqualification or raises an issue of the chargeability to his account of benefits that may be paid on such claim, if the claim is valid, the issue thereby raised shall be promptly determined by said official and a notification of the determination delivered or mailed to the claimant and the employer. If an initial determination or an appeal tribunal decision or the commissioner's decision awards benefits, the benefits shall be paid promptly regardless of the pendency of any appeal period or any appeal or other proceeding which may thereafter be

taken. Except as provided in clause (6), if an appeal tribunal decision modifies or reverses an initial determination awarding benefits, or if a commissioner's decision modifies or reverses an appeal decision awarding benefits, any benefits paid under the award of such initial determination or appeal tribunal decision shall be deemed erroneous payments.

(2) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, an official of the department or any interested party or parties raises an issue of claimant's eligibility for benefits for any week or weeks in accordance with the requirements of the provisions of sections 268.03 to 268.24 or any official of the department or any interested party or parties or benefit year employer raises an issue of disqualification in accordance with the regulations of the commissioner, a determination shall be made thereon and a written notice thereof shall be given to the claimant and such other interested party or parties or benefit year employer. A determination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.

(3) A determination issued pursuant to clauses (1) and (2) shall be final unless an appeal therefrom is filed by a claimant or employer within 15 days after the mailing of the notice of the determination to his last known address or personal delivery of the notice. Every notice of determination shall contain a prominent statement indicating in clear language the method of appealing the determination, the time within which such an appeal must be made, and the consequences of not appealing the determination. A timely appeal from a determination of validity in which the issue is whether an employing unit is an employer within the meaning of this chapter or whether services performed for an employer constitute employment within the meaning of this chapter shall be subject to the provisions of section 268.12, subdivision 13.

(4) At any time within 24 months from the date of the filing of a valid claim for benefits by an individual, the commissioner on his own motion may reconsider a determination of validity made thereon and make a redetermination thereof if he finds that an error in computation or identity or the crediting of wage credits has occurred in connection therewith or if the determination was made as a result of a nondisclosure or misrepresentation of a material fact. A determination or redetermination issued under this clause which denies benefits for weeks for which the claimant has previously been paid benefits is an overpayment of those benefits subject to section 268.18.

(5) However, the commissioner may in his discretion refer any disputed claims directly to a referee for hearing and determination in accordance with the procedure outlined in subdivision



3 and the effect and status of such determination in such a case shall be the same as though the matter had been determined upon an appeal to the tribunal from an initial determination.

(6) If a referee's decision affirms an initial determination awarding benefits or the commissioner affirms an appeal tribunal decision awarding benefits, the decision, if finally reversed, shall not result in a disqualification and benefits paid shall neither be deemed overpaid nor shall they be considered in determining any individual employer's future contribution rate under section 268.06.

Sec. 20. Minnesota Statutes 1983 Supplement, section 268.12, subdivision 8, is amended to read:

Subd. 8. [RECORDS; REPORTS.] (1) Each employing unit shall keep true and accurate work records for such periods of time and containing such information as the commissioner may prescribe. Such records shall be open to inspection, audit, and verification, and be subject to being copied by any authorized representative of the commissioner at any reasonable time and as often as may be necessary. The commissioner, appeal referee, or any other duly authorized representative of the commissioner, may require from any employing unit any sworn or unsworn reports, with respect to persons employed by it, which the commissioner, appeal referee, or any other duly authorized representative of the commissioner deems necessary for the effective administration of sections 268.03 to 268.24 (, PROVIDED THAT QUARTERLY CONTRIBUTION AND WAGE REPORT FORMS SHALL INCLUDE THE EMPLOYEE'S NAME, SOCIAL SECURITY NUMBER, AND TOTAL WAGES PAID TO THE EMPLOYEE).

(2) The commissioner may cause to be made such summaries, compilations, photographs, duplications, or reproductions of any records, reports, or transcripts thereof as he may deem advisable for the effective and economical preservation of the information contained therein, and such summaries, compilations, photographs, duplications or reproductions, duly authenticated, shall be admissible in any proceeding under sections 268.03 to 268.24, if the original record or records would have been admissible therein. Notwithstanding any restrictions contained in section 16.02, except restrictions as to quantity, the commissioner is hereby authorized to duplicate, on equipment furnished by the federal government or purchased with funds furnished for that purpose by the federal government, records, reports, summaries, compilations, instructions, determinations, or any other written matter pertaining to the administration of the Minnesota Employment Services Law.

(3) Notwithstanding any inconsistent provisions elsewhere, the commissioner may provide for the destruction or disposition

of any records, reports, transcripts, or reproductions thereof, or other papers in his custody, which are more than two years old, the preservation of which is no longer necessary for the establishment of contribution liability or benefit rights or for any purpose necessary to the proper administration of sections 268.03 to 268.24, including any required audit thereof, provided, that the commissioner may provide for the destruction or disposition of any record, report, or transcript, or other paper in his custody which has been photographed, duplicated, or reproduced in the manner provided in clause (2).

(4) Notwithstanding the provisions of the Minnesota State Archives Act the commissioner shall with the approval of the legislative auditor destroy all benefit checks and benefit check authorization cards that are more than two years old and no person shall make any demand, bring any suit or other proceeding to recover from the state of Minnesota any sum alleged to be due him on any claim for benefits after the expiration of two years from the date of filing such claim.

Sec. 21. Minnesota Statutes 1982, section 268.121, is amended to read:

268.121 [WAGE REPORTING.]

Beginning on April 1, 1984, each employer subject to this chapter shall provide the commissioner with a quarterly report of *the wages* (, AS DEFINED IN SECTION 268.04, SUBDIVISION 25,) paid to each employee of that employer covered by this chapter. (THE COMMISSIONER SHALL PROVIDE THE LEGISLATURE WITH HIS RECOMMENDATIONS FOR STATUTORY CHANGES TO FULLY IMPLEMENT THIS SECTION NO LATER THAN JANUARY 1, 1983) *The report must include the employee's name, social security number, and total wages paid to the employee.*

Sec. 22. Minnesota Statutes 1982, section 268.15, subdivision 3, is amended to read:

Subd. 3. [CONTINGENT ACCOUNT.] There is hereby created in the state treasury a special account, to be known as the employment services contingent account, which shall not lapse nor revert to any other fund. Such account shall consist of all moneys appropriated therefor by the legislature, all moneys in the form of interest and penalties collected pursuant to (SECTION) *sections 268.16 and 268.18, and all moneys received in the form of voluntary contributions to this account and interest thereon. All moneys in such account shall be supplemental to all federal moneys that would be available to the commissioner but for the existence of this account. Moneys in this account are hereby appropriated to the commissioner and shall be expended in accordance with the provisions of section 3.30, in connec-*

tion with the administration of sections 268.03 to 268.24. *Commencing with the fiscal year beginning July 1, 1984, the commissioner is authorized to expend annually, in addition to any federal money and without reference to section 3.30, the sum of \$500,000, from available money in this fund which is derived from interest and penalties collected pursuant to sections 268.16 and 268.18 and money received in the form of voluntary payments and interest thereon, for the purpose of providing for: (a) the investigation of fraud on the part of any person in claiming or obtaining benefits under sections 268.03 to 268.24 or fraud on the part of any employer in attempting to avoid or reduce any contribution or other payment required from an employing unit under those sections; (b) determination of benefit overpayments and contribution underpayments for reasons other than fraud; and (c) recovery of money due to the department as a result of clauses (a) and (b).* Whenever the commissioner expends moneys from said contingent account for the proper and efficient administration of the Minnesota employment services law for which funds have not yet been made available by the federal government, such moneys so withdrawn from the contingent account shall be replaced as hereinafter provided. Upon the deposit in the employment services administration fund of moneys which are received in reimbursement of payments made as above provided for said contingent account, the commissioner shall certify to the state treasurer the amount of such reimbursement and thereupon the state treasurer shall transfer such amount from the employment services administration fund to said contingent account. All moneys in this account shall be deposited, administered, and disbursed in the same manner and under the same conditions and requirements as is provided by law for the other special accounts in the state treasury. The state treasurer shall be liable on his official bond for the faithful performance of his duties in connection with the employment services contingent account provided for herein. Notwithstanding anything to the contrary contained herein, on June 30 of each year, except 1982, all amounts in excess of \$300,000 in this account shall be paid over to the unemployment compensation fund established under section 268.05 and administered in accordance with the provisions set forth therein.

Sec. 23. Minnesota Statutes 1983 Supplement, section 268.16, subdivision 2, is amended to read:

Subd. 2. [REPORTS; DELINQUENCIES; PENALTIES.] (1) Any employer who knowingly fails to make and submit to the department of economic security any *contribution* report (OF WAGES PAID BY OR DUE FROM HIM FOR INSURED WORK IN THE MANNER AND) at the time (SUCH) *the* report is required by (REGULATIONS) *rules* prescribed by the commissioner shall pay to the department of economic security for the contingent account a penalty in the amount of one and one-half percent of contributions accrued during the period for which (SUCH) *the* report is required, for each month from and

after (SUCH) *the due date* until (SUCH) *the report is properly made and submitted to the department of economic security.* In no case shall the amount of the penalty imposed hereby be less than \$5 per month. The maximum penalty imposed hereby shall be \$25 or the amount determined at the rate of 1-1/2 percent per month, whichever is greater. (ANY EMPLOYING UNIT WHICH FAILS TO MAKE AND SUBMIT TO THE COMMISSIONER ANY REPORT, OTHER THAN ONE OF WAGES PAID OR PAYABLE FOR INSURED WORK, AS AND WHEN REQUIRED BY THE REGULATIONS OF THE COMMISSIONER, SHALL BE SUBJECT TO A PENALTY IN THE SUM OF \$10 PAYABLE TO THE DEPARTMENT OF ECONOMIC SECURITY FOR THE CONTINGENT ACCOUNT. ALL SUCH PENALTIES SHALL BE IN ADDITION TO INTEREST AND ANY OTHER PENALTIES PROVIDED FOR BY SECTIONS 268.03 TO 268.24 AND SHALL BE COLLECTED AS PROVIDED BY SECTION 268.161.)

(2) If any employing unit required by sections 268.03 to 268.24 to make and submit contribution reports shall fail to do so within the time prescribed by these sections or by regulations under the authority thereof, or shall make, willfully or otherwise, an incorrect, false or fraudulent contribution report, he shall, on the written demand of the commissioner, make such contribution report, or corrected report, within ten days after the mailing of such written demand and at the same time pay the whole contribution, or additional contribution, due on the basis thereof. If such employer shall fail within that time to make such report, or corrected report, the commissioner shall make for him a report, or corrected report, from his own knowledge and from such information as he can obtain through testimony, or otherwise, and assess a contribution on the basis thereof, which contribution, plus penalties and interest which thereafter accrued (less any payments theretofore made) shall be paid within ten days after the commissioner has mailed to such employer a written notice of the amount thereof and demand for its payment. Any such contribution report or assessment made by the commissioner on account of the failure of the employer to make a report or corrected report 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. Whenever such delinquent employer shall file a report or corrected report, the commissioner may, if he finds it substantially correct, substitute it for the commissioner's report.

(3) *Any employer who fails to file the wage detail report required by section 268.121 shall pay to the department of economic security for the contingent account a penalty of one-tenth of one percent of total wages paid and wages due but not paid during the period for each month the report is delinquent. The penalty shall not be assessed if the wage detail report is properly made and filed within 30 days after a demand for the*

report is mailed to the employer's address of record. In no case shall the amount of the penalty, if assessed, be more than \$500 or less than \$25. Penalties due under this subdivision may be waived where good cause for late filing is found by the commissioner. Any employer who files the wage detail report required by section 268.121 but knowingly fails to include any of the required information or knowingly enters erroneous information shall be subject to a penalty of \$25 for each individual for whom the information is missing or erroneous.

(4) Any employing unit which fails to make and submit to the commissioner any report, other than a contribution report or wage detail report, as and when required by rule, shall be subject to a penalty in the sum of \$25 payable to the department of economic security for the contingent account.

(5) Penalties provided for in paragraphs (1), (3), and (4) shall be in addition to interest and any other penalties imposed by sections 268.03 to 268.24 and shall be collected as provided by section 268.161.

#### Sec. 24. [BENEFIT AND WAGE STUDY.]

The commissioner shall conduct a study of benefit claims and wage data reported under section 268.121. The study shall include, but not be limited to, determining and examining cyclical patterns of unemployment, reemployment and benefit duration. The commissioner shall report the results of the study to the 1986 regular session of the legislature.

#### Sec. 25. [REPEALER.]

Minnesota Statutes 1982, section 268.04, subdivision 30, is repealed. Minnesota Statutes 1983 Supplement, sections 268.04, subdivision 29; and 268.08, subdivision 9, are repealed.

#### Sec. 26. [EFFECTIVE DATES.]

Section 8 is effective retroactively to January 1, 1984.

Sections 4, 5, 6, 12, 20, 21, 22, 23, and 24 are effective the day following final enactment.

Sections 3, 9, and 10 are effective January 1, 1985.

Sections 1, 2, 7, 13, 14, 15, 16, 17, 18, and 19 are effective July 1, 1985, for benefit years subsequent to June 30, 1985.

That part of section 11 which strikes the 1.5 percent and 2.5 percent limitations on tax rate changes is effective retroactively

to January 1, 1984, with the remainder of section 11 being effective January 1, 1985.

*That part of section 25 which repeals Minnesota Statutes 1983 Supplement, section 268.08, subdivision 9, is effective the day after final enactment, with the remainder of section 25 being effective July 1, 1985, for benefit years subsequent to June 30, 1985."*

Delete the title and insert:

"A bill for an act relating to unemployment compensation; regulating the payment, amount, and eligibility for benefits; setting employer contribution rates; making administrative changes; providing a penalty; amending Minnesota Statutes 1982, sections 268.04, subdivision 24, and by adding subdivisions; 268.06, subdivisions 6 and 8; 268.07, subdivision 2a; 268.10, subdivision 1; 268.121; 268.15, subdivision 3; Minnesota Statutes 1983 Supplement, sections 268.04, subdivisions 2, 25, and 29; 268.06, subdivisions 2 and 3a; 268.061; 268.07, subdivisions 2 and 3; 268.08, subdivision 1; 268.09, by adding a subdivision; 268.10, subdivision 2; 268.12, subdivision 8; and 268.16, subdivision 2; repealing Minnesota Statutes 1982, section 268.04, subdivision 30; Minnesota Statutes 1983 Supplement, sections 268.04, subdivision 29; and 268.08, subdivision 9."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Local and Urban Affairs to which was referred:

S. F. No. 234, A bill for an act relating to the town of Windemere; permitting the town to have the powers of a metropolitan area town.

Reported the same back with the following amendments:

Page 1, line 8, delete "sections" and insert "section"

Page 1, line 9, delete "340.11, subdivision 10b,"

Page 1, line 10, before the period insert ", except section 340.11, subdivision 10b"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

S. F. No. 506, A bill for an act relating to probate; changing the time for closing certain estates; amending Minnesota Statutes 1982, section 524.3-1003.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

### SECOND READING OF HOUSE BILLS

H. F. Nos. 377, 1373, 1454, 1524, 1721, 1766, 1846, 1884, 1967, 2122, 2135, 2151, 2198, 2248 and 2263 were read for the second time.

### SECOND READING OF SENATE BILLS

S. F. Nos. 1768, 1365, 1495, 1435, 1832, 1520, 1398, 1559, 1913, 234 and 506 were read for the second time.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Dimler and Welker introduced:

H. F. No. 2322, A bill for an act relating to game and fish; directing compensation of landowners for damages done by big game animals; appropriating money; proposing new law coded in Minnesota Statutes, chapter 97.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kelly, Coleman, Forsythe and Ellingson introduced:

H. F. No. 2323, A bill for an act relating to highway traffic regulations; requiring driver's license revocation of any person under the age of 19 who is found driving a motor vehicle while under the influence of any measurable amount of alcohol; amending Minnesota Statutes 1982, section 169.123, subdivisions 4 and 5a; and Minnesota Statutes 1983 Supplement, section 169.123, subdivision 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Wenzel, Krueger, Graba, Mann and Kalis introduced:

H. F. No. 2324, A resolution memorializing the President and Congress to design the 1985 farm bill so as to protect the family farm system.

The bill was read for the first time and referred to the Committee on Agriculture.

Vanasek, Skoglund, Simoneau, Knuth and Riveness introduced:

H. F. No. 2325, A bill for an act relating to taxation; income; conforming to federal law for treatment of contributions to individual retirement plans and other pension plans; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

The bill was read for the first time and referred to the Committee on Taxes.

Kvam introduced:

H. F. No. 2326, A bill for an act relating to taxation; income; conforming to federal treatment of picked up contributions to a government pension plan; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

The bill was read for the first time and referred to the Committee on Taxes.

Kvam introduced:

H. F. No. 2327, A bill for an act relating to taxation; income; conforming to federal law for treatment of contributions to individual retirement plans and other pension plans; amending Minnesota Statutes 1983 Supplement, section 290.01, subdivisions 20a and 20b.

The bill was read for the first time and referred to the Committee on Taxes.



Gustafson, Boo and Munger introduced:

H. F. No. 2328, A bill for an act relating to port authorities; fixing the amount of the property tax levy for them; amending Minnesota Statutes 1982, section 458.14.

The bill was read for the first time and referred to the Committee on Taxes.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Boo introduced:

H. A. No. 60, A proposal to study the adequacy of Minnesota water diversion laws.

The advisory was referred to the Committee on Environment and Natural Resources.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House Files, herewith returned:

H. F. No. 1706, A bill for an act relating to St. Louis Park; providing authority to the housing and redevelopment authority to review and approve development in redevelopment areas.

H. F. No. 1774, A bill for an act relating to transportation; providing for distribution of town road funds; amending Minnesota Statutes 1983 Supplement, section 162.081, subdivision 4.

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. 977, A bill for an act relating to liquor; authorizing the city of Farmington to issue a club on-sale license to an Eagles Club.

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. 977 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 977, A bill for an act relating to private clubs; authorizing the city of Farmington to issue a club on-sale liquor license and a license to conduct bingo and gambling to an Eagles Club.

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:

Anderson, B.	Erickson	Knuth	Pauly	Solberg
Anderson, G.	Evans	Kostohryz	Peterson	Sparby
Battaglia	Findlay	Krueger	Piepho	Staten
Beard	Fjoslien	Larsen	Piper	Sviggum
Begich	Forsythe	Levi	Price	Swanson
Bennett	Frerichs	Long	Quinn	Tomlinson
Bishop	Graba	Ludeman	Quist	Tunheim
Blatz	Greenfield	Mann	Redalen	Uphus
Boo	Gruenes	Marsh	Reif	Valan
Brandl	Gustafson	McDonald	Rice	Valento
Brinkman	Gutknecht	McEachern	Rodosovich	Vanasek
Burger	Haukoos	McKasy	Rodriguez, C.	Vellenga
Carlson, D.	Heap	Minne	Rodriguez, F.	Voss
Carlson, L.	Heinitz	Munger	Rose	Waltman
Clark, J.	Himle	Murphy	St. Onge	Welch
Clark, K.	Hoffman	Nelson, D.	Sarna	Welle
Clawson	Hokr	Neuenschwander	Scheid	Wenzel
Cohen	Jacobs	Norton	Schoenfeld	Wigley
Coleman	Jennings	O'Connor	Schreiber	Wynia
Dempsey	Jensen	Ogren	Seaberg	Zaffke
DenOuden	Johnson	Olsen	Segal	Speaker Sieben
Dimler	Kahn	Omann	Shea	
Eken	Kalis	Onnen	Sherman	
Elioff	Kelly	Osthoff	Simoneau	
Ellingson	Knickerbocker	Otis	Skoglund	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1496, A bill for an act relating to state lands; providing for the conveyance of certain state land to the city of Pillager.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Wenzel moved that the House concur in the Senate amendments to H. F. No. 1496 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1496, A bill for an act relating to state lands; providing for the lease of certain state land to the city of Pillager.

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:

Anderson, B.	Ellingson	Kalis	Onnen	Simoneau
Anderson, C.	Erickson	Kelly	Otis	Skoglund
Battaglia	Evans	Knickerbocker	Pauly	Solberg
Beard	Findlay	Knuth	Peterson	Sparby
Begich	Fjoslien	Kostohryz	Piepho	Staten
Bennett	Forsythe	Krueger	Piper	Sviggum
Bergstrom	Frerichs	Larsen	Price	Swanson
Bishop	Graba	Levi	Quist	Thiede
Blatz	Greenfield	Long	Redalen	Tomlinson
Boo	Gruenes	Ludeman	Reif	Tunheim
Brandl	Gustafson	Mann	Rodosovich	Uphus
Brinkman	Guiknecht	Marsh	Rodriguez, C.	Valento
Burger	Halberg	McDonald	Rodriguez, F.	Vanasek
Carlson, D.	Haukoos	McEachern	Rose	Voss
Carlson, L.	Heap	McKasy	St. Onge	Waltman
Clark, J.	Heinitz	Munger	Sarna	Welch
Clark, K.	Himle	Murphy	Schafer	Welker
Clawson	Hoffman	Nelson, D.	Scheid	Welle
Coleman	Hokr	Nelson, K.	Schoenfeld	Wenzel
Dempsey	Jacobs	Neuenschwander	Schreiber	Wigley
DenOuden	Jennings	O'Connor	Seaberg	Wynia
Dimler	Jensen	Ogren	Segal	Zafke
Eken	Johnson	Olsen	Shea	Speaker Sieben
Eloff	Kahn	Omann	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. 1460, A bill for an act relating to state lands; providing for the conveyance of certain land in International Falls.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Neuenschwander moved that the House concur in the Senate amendments to H. F. No. 1460 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1460, A bill for an act relating to state lands; providing for the conveyance of certain land in International Falls.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knickerbocker	Otis	Solberg
Anderson, G.	Erickson	Kuuth	Pauly	Sparby
Anderson, R.	Evans	Kostohryz	Peterson	Staten
Battaglia	Findlay	Krueger	Piepho	Sviggum
Beard	Fjoslien	Larsen	Piper	Swanson
Begich	Forsythe	Levi	Price	Thiede
Bennett	Frerichs	Leng	Quinn	Tomlinson
Bergstrom	Graba	Ludeman	Quist	Tunheim
Bishop	Greenfield	Mann	Redalen	Upphus
Blatz	Gruenes	Marsh	Reif	Valan
Boo	Gustafson	McDonald	Rice	Valento
Brandl	Gutknecht	McEachern	Rodosovich	Vanasek
Brinkman	Halberg	McKasy	Rodriguez, C.	Vellenga
Burger	Haukoos	Metzen	Rodriguez, F.	Voss
Carlson, D.	Heap	Minne	Rose	Waltman
Carlson, L.	Heinritz	Munger	St. Onge	Welch
Clark, J.	Himle	Murphy	Sarna	Welker
Clark, K.	Hoffman	Nelson, D.	Schafer	Welle
Clawson	Hokr	Neison, K.	Scheid	Wenzel
Cohen	Jacobs	Neuenschwander	Schoenfeld	Wigley
Coleman	Jennings	Norton	Schreiber	Wynia
Dempsey	Jensen	O'Connor	Seaberg	Zaifke
DenOuden	Johnson	Ogren	Segal	Speaker Sieben
Dimler	Kahn	Omamn	Shea	
Eken	Kalis	Onnen	Sherman	
Elioff	Kelly	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. 1503, A bill for an act relating to local government; providing for the duties and bonds of city clerks; amending Minnesota Statutes 1982, sections 412.151; and 418.25, subdivision 1.

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. 1503 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1503, A bill for an act relating to local government; providing for the duties and bonds of city clerks; amending Minnesota Statutes 1982, sections 412.151; and 418.25, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	DenOuden	Hokr	Minne	Reif
Anderson, G.	Dimler	Jacobs	Munger	Rice
Anderson, R.	Eken	Jennings	Murphy	Riveness
Battaglia	Elioff	Jensen	Nelson, D.	Rodosovich
Beard	Ellingson	Johnson	Nelson, K.	Rodriguez, C.
Begich	Erickson	Kahn	Neuenschwander	Rodriguez, F.
Bennett	Evans	Kalis	Norton	Rose
Bergstrom	Findlay	Kelly	O'Connor	St. Onge
Bishop	Fjoslien	Knickerbocker	Ogren	Sarna
Blatz	Forsythe	Knuth	Olsen	Scheid
Boo	Frerichs	Kostohryz	Omann	Schreiber
Brandl	Graba	Krueger	Onnen	Seaberg
Brinkman	Greenfield	Larsen	Osthoff	Segal
Burger	Gruenes	Levi	Otis	Shea
Carlson, D.	Gustafson	Long	Pauly	Sherman
Carlson, L.	Gutknecht	Ludeman	Peterson	Simoneau
Clark, J.	Halberg	Mann	Piepho	Skoglund
Clark, K.	Haukoos	Marsh	Piper	Solberg
Clawson	Heap	McDonald	Price	Sparby
Cohen	Heinitz	McEachern	Quinn	Staten
Coleman	Himle	McKasy	Quist	Sviggum
Dempsey	Hoffman	Metzen	Redalen	Swanson

Thiede	Valento	Voss	Welle	Wynia
Tomlinson	Vanasek	Waltman	Wenzel	Zaffke
Tunheim	Vellenga	Welch	Wigley	Speaker Sieben
Valan				

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. 1670, A bill for an act relating to transportation; expanding scope of state commuter van transportation program; amending Minnesota Statutes 1982, section 16.756, subdivisions 1, 1a, and 2.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Voss moved that the House concur in the Senate amendments to H. F. No. 1670 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1670, A bill for an act relating to transportation; expanding scope of state commuter van transportation program; amending Minnesota Statutes 1982, section 16.756, subdivisions 1, 1a, and 2; and repealing Minnesota Statutes 1982, section 16.756, 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 121 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Burger	Erickson	Heap	Kostohryz
Anderson, G.	Carlson, D.	Evans	Heinitz	Krueger
Anderson, R.	Carlson, L.	Findlay	Himle	Larsen
Battaglia	Clark, J.	Fjoslien	Hoffman	Levi
Beard	Clark, K.	Forsythe	Hokr	Long
Begich	Clawson	Frerichs	Jacobs	Mann
Bennett	Cohen	Graba	Jensen	Marsh
Bergstrom	Coleman	Greenfield	Johnson	McEachern
Bishop	Dempsey	Gruenes	Kahn	McKasy
Blatz	Dimler	Gustafson	Kalis	Metzen
Boo	Eken	Gutknecht	Kelly	Minne
Brandl	Elioff	Halberg	Knickerbocker	Munger
Brinkman	Ellingson	Haukoos	Knuth	Murphy

Nelson, D.	Peterson	Rodriguez, F.	Skoglund	Vellenga
Nelson, K.	Piepho	Rose	Solberg	Voss
Neuenschwander	Piper	St. Onge	Sparby	Waltman
Norton	Price	Sarna	Staten	Welch
O'Connor	Quinn	Scheid	Sviggum	Wenzel
Ogren	Quist	Schoenfeld	Swanson	Wigley
Olsen	Redalen	Schreiber	Tomlinson	Wynia
Omann	Reif	Seaberg	Tunheim	Speaker Sieben
Onnen	Rice	Segal	Uphus	
Osthoff	Riveness	Shea	Valan	
Otis	Rodosovich	Sherman	Valento	
Pauly	Rodriguez, C.	Simoneau	Vanasek	

Those who voted in the negative were:

DenOuden	Ludeman	Schafer	Thiede	Zaffke
Jeanings				

The bill was repassed, as amended by the Senate, and its title agreed to.

The Speaker called Wynia to the Chair.

Mr. Speaker:

I hereby announce the passage by the Senate of the 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 commerce; manufactured homes; clarifying provisions relating to manufactured home safety features; amending Minnesota Statutes 1983 Supplement, sections 327C.02, subdivision 5; and 327C.07, subdivisions 3a and 8.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Voss moved that the House concur in the Senate amendments to H. F. No. 1611 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1611, A bill for an act relating to commerce; manufactured homes; clarifying provisions relating to manufactured home safety features; amending Minnesota Statutes 1983 Supplement, sections 327C.02, subdivision 5; and 327C.07, subdivisions 3a and 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 117 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Elioff	Kelly	Osthoff	Simoueau
Anderson, C.	Ellingson	Knickerbocker	Otis	Solberg
Anderson, R.	Erickson	Knuth	Pauly	Sparby
Battaglia	Evans	Kostohryz	Peterson	Staten
Beard	Findlay	Krueger	Piepho	Swiggum
Begich	Fjoslien	Larsen	Piper	Swanson
Bennett	Forsythe	Levi	Price	Thiede
Bergstrom	Graba	Long	Quist	Tomlinson
Bishop	Greenfield	Mann	Redalen	Tanheim
Blatz	Gustafson	Marsh	Rice	Uphus
Boo	Gutknecht	McEachern	Riveness	Valan
Brandl	Halberg	Metzen	Rodosovich	Vanasek
Brinkman	Haukoos	Minne	Rodriguez, C.	Vellenga
Burger	Heap	Munger	Rodriguez, F.	Voss
Carlson, D.	Heinitz	Murphy	Rose	Waltman
Carlson, L.	Himle	Nelson, D.	St. Onge	Welch
Clark, J.	Hoffman	Nelson, K.	Sarna	Welle
Clark, K.	Hokr	Neuenschwander	Scheid	Wenzel
Clawson	Jacobs	Norton	Schoenfeld	Wigley
Cohen	Jennings	O'Connor	Schreiber	Wynia
Coleman	Jensen	Ogren	Seaberg	Speaker Sieben
Dempsey	Johnson	Olsen	Segal	
Dimler	Kahn	Omann	Shea	
Eken	Kalis	Onnen	Sherman	

Those who voted in the negative were:

DenOuden	Ludeman	Schafer	Welker	Zaffke
Gruenes				

The bill was repassed, as amended by the Senate, and its title agreed to.

The Speaker resumed the Chair.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1325, A bill for an act relating to county law libraries; permitting the appointment of a nonlawyer to the library board; amending Minnesota Statutes 1982, section 140.36, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Zaffke moved that the House concur in the Senate amendments to H. F. No. 1325 and that the bill be repassed as amended by the Senate. The motion prevailed.



H. F. No. 1325, A bill for an act relating to county law libraries; permitting the appointment of a nonlawyer to the library board; amending Minnesota Statutes 1982, section 140.36, 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Ellingson	Knickerbocker	Pauly	Solberg
Anderson, G.	Erickson	Knuth	Peterson	Sparby
Anderson, R.	Evans	Kostohryz	Piepho	Staten
Battaglia	Findlay	Krueger	Piper	Sviggum
Beard	Fjoslien	Larsen	Price	Swanson
Begich	Forsythe	Levi	Quinn	Thiede
Bennett	Frerichs	Long	Quist	Tomlinson
Bergstrom	Craba	Ludeman	Redalen	Tunheim
Bishop	Greenfield	Mann	Rice	Uphus
Blatz	Gruenes	Marsh	Riveness	Valan
Boo	Gustafson	McDonald	Rodosovich	Valento
Brandl	Gutknecht	McKasy	Rodriguez, C.	Vanasek
Brinkman	Halberg	Minne	Rodriguez, F.	Vellenga
Burger	Haukoos	Munger	Rose	Voss
Carlson, D.	Heap	Murphy	St. Onge	Waltman
Carlson, L.	Heinitz	Nelson, D.	Sarna	Welch
Clark, J.	Himle	Nelson, K.	Schafer	Welker
Clark, K.	Hoffman	Neuenschwander	Scheid	Welle
Clawson	Hokr	Norton	Schoenfeld	Wenzel
Cohen	Jacobs	O'Connor	Schreiber	Wigley
Coleman	Jennings	Ogren	Seaberg	Wynia
Dempsey	Jensen	Olsen	Segal	Zaffke
DenOuden	Johnson	Omamm	Shea	Speaker Sieben
Dimler	Kahn	Onnen	Sherman	
Eken	Kalis	Osthoff	Simoneau	
Elioff	Kelly	Otis	Skoglund	

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned, as amended by the Senate, in which amendment the concurrence of the House is respectfully requested:

H. F. No. 1813, A bill for an act relating to hospital districts; providing for loans to students in health-related educational programs; amending Minnesota Statutes 1982, section 447.331.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Tunheim moved that the House concur in the Senate amendments to H. F. No. 1813 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1813, A bill for an act relating to hospital districts; providing for loans to students in health-related educational programs; amending Minnesota Statutes 1982, section 447.331.

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:

Anderson, B.	Erickson	Knuth	Otis	Simoneau
Anderson, G.	Evans	Kostohryz	Pauly	Skoglund
Anderson, R.	Findlay	Krueger	Peterson	Solberg
Battaglia	Fjoslien	Larsen	Piepho	Sparby
Beard	Forsythe	Levi	Piper	Staten
Begich	Frerichs	Long	Price	Sviggum
Bennett	Graba	Ludeman	Quinn	Swanson
Bergstrom	Greenfield	Mann	Quist	Thiede
Bishop	Gruenes	Marsh	Redalen	Tunheim
Blatz	Gustafson	McDonald	Reif	Uphus
Brandl	Gutknecht	McEachern	Rice	Valan
Brinkman	Halberg	McKasy	Riveness	Valento
Burger	Haukoos	Metzen	Rodosovich	Vanasek
Carlson, D.	Heap	Minne	Rodriguez, C.	Vellenga
Carlson, L.	Heinitz	Munger	Rodriguez, F.	Waltman
Clark, J.	Himle	Murphy	Rose	Welch
Clark, K.	Hoffman	Nelson, D.	St. Onge	Welker
Clawson	Hokr	Nelson, K.	Sarna	Welle
Cohen	Jacobs	Neuenschwander	Schafer	Wenzel
Coleman	Jennings	Norton	Scheid	Wigley
Dempsey	Jensen	O'Connor	Schoenfeld	Wynia
DenOuden	Johnson	Ogren	Schreiber	Zaffke
Dimler	Kahn	Olsen	Seaberg	Speaker Sieben
Eken	Kalis	Omann	Segal	
Elioff	Kelly	Onnen	Shea	
Ellingson	Knickerbocker	Osthoff	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. 1408, A bill for an act relating to public safety; traffic regulations; regulating school buses; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; 169.44, subdivisions 1c, 2, 8, and 15; 169.45; and 171.01, by adding a subdivision.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Solberg moved that the House concur in the Senate amendments to H. F. No. 1408 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 1408, A bill for an act relating to public safety; traffic regulations; regulating school buses; amending Minnesota Statutes 1982, sections 169.01, subdivision 6; 169.44, subdivisions 1c, 2, 8, and 15; 169.45; and 171.01, 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 122 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Erickson	Kostohryz	Pauly	Skoglund
Anderson, R.	Evans	Krueger	Peterson	Solberg
Battaglia	Findlay	Larsen	Picpho	Sparby
Beard	Forsythe	Levi	Piper	Staten
Begich	Graba	Long	Price	Swiggum
Bennett	Greenfield	Mann	Quinn	Swanson
Bergstrom	Gruenes	Marsh	Quist	Thiede
Bishop	Gustafson	McDonald	Redalen	Tomlinson
Blatz	Gutknecht	McEachern	Reif	Tunheim
Boo	Halberg	McKasy	Rice	Uphus
Brandl	Haukoos	Metzen	Riveness	Valan
Brinkman	Heap	Minne	Rodosovich	Valento
Burger	Heinitz	Munger	Rodriguez, C.	Vanasek
Carlson, D.	Himle	Murphy	Rodriguez, F.	Vellenga
Carlson, L.	Hoffman	Nelson, D.	Rose	Voss
Clark, J.	Hokr	Nelson, K.	St. Onge	Waltman
Clark, K.	Jacobs	Neuenschwander	Sarna	Welch
Cohen	Jennings	Norton	Scheid	Welle
Coleman	Jensen	O'Connor	Schoenfeld	Wenzel
Dempsey	Johnson	Ogren	Schreiber	Wigley
DenOuden	Kahn	Olsen	Seaberg	Wynia
Dimler	Kalis	Omann	Segal	Speaker Sieben
Eken	Kelly	Onnen	Shea	
Elioff	Knickerbocker	Osthoff	Sherman	
Ellingson	Knuth	Otis	Simoneau	

Those who voted in the negative were:

Fjoslien  
Frerichs

Ludeman

Schafer

Welker

Zaffke

The bill was repassed, as amended by the Senate, and its title agreed to.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1112.

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. 1332, 1474, 1466, 1589 and 1590.

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. 1546, 1772, 1867, 1973 and 2077.

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. 1576 and 1588.

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. 1702 and 1669.

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. 1789, 1790, 1794 and 1825.

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. 1931 and 2076.

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. 1628.

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. 1351.

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. 1504 and 1511.

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. 1477.

PATRICK E. FLAHAVEN, Secretary of the Senate

## FIRST READING OF SENATE BILLS

S. F. No. 1112, A bill for an act relating to drainage; eliminating the bond required for appeal of benefits or damages in a drainage assessment proceeding; amending Minnesota Statutes 1982, section 106.631, subdivision 2.

The bill was read for the first time.

DenOuden moved that S. F. No. 1112 and H. F. No. 1330, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1332, A bill for an act relating to education; authorizing a school board to expend district funds to establish and operate a nonprofit corporation; requiring the corporation to assist and cooperate with the school board; providing certain limitations on the amount of district funds; requiring district reports to the commissioner of education; requiring a report to the legislature; amending Minnesota Statutes 1982, section 123.35, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 1474, A bill for an act relating to natural resources; expanding the trout stamp program to include trout lakes and Lake Superior; reducing the age requirement for obtaining a trout stamp; amending Minnesota Statutes 1982, section 97.4842.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1466, A bill for an act relating to veterans; changing the eligibility for veteran's preference for civil service employment; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; and 197.447.

The bill was read for the first time.

Neuenschwander moved that S. F. No. 1466 and H. F. No. 1847, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1589, A bill for an act relating to natural resources; authorizing hunters and trappers to wear blaze orange camouflage; amending Minnesota Statutes 1983 Supplement, section 100.29, subdivision 8.

The bill was read for the first time.

Neuenschwander moved that S. F. No. 1589 and H. F. No. 1630, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1590, A bill for an act relating to natural resources; increasing the penalty on owners and keepers of certain dogs; authorizing peace officers to take certain actions; prohibiting damages against peace officers who take those actions; amending Minnesota Statutes 1982, sections 100.29, subdivision 19; and 347.01.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1546, A bill for an act relating to elections; improving the accessibility of the election process to certain elderly and handicapped persons; amending Minnesota Statutes 1982, sections 201.071, subdivision 2; 201.091, subdivision 8; 203B.07; 204B.17; 204B.18, subdivision 1; 204B.27, subdivisions 3 and 4; 204C.06, subdivision 2; 204C.15, subdivision 1 and by adding a subdivision; 206.19, subdivision 2; 206.20; and Minnesota Statutes 1983 Supplement, sections 203B.02, subdivision 1; 204B.16; and 206.09; proposing new law coded in Minnesota Statutes, chapter 206.

The bill was read for the first time.

Minne moved that S. F. No. 1546 and H. F. No. 1618, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1772, A bill for an act relating to crimes; defining sports bookmaking; amending Minnesota Statutes 1982, section 299C.065, subdivision 1; and Minnesota Statutes 1983 Supplement, section 609.75, subdivision 7.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1867, A bill for an act relating to occupations and professions; authorizing the board to accept foreign pharmacy graduates for examination as pharmacists; amending Minnesota Statutes 1982, section 151.10.

The bill was read for the first time.

Clawson moved that S. F. No. 1867 and H. F. No. 1872, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1973, A bill for an act relating to persons handicapped in communication; requiring the arresting officer to

immediately obtain a qualified interpreter for a person handicapped in communication who has been arrested; amending Minnesota Statutes 1982, sections 546.42; 611.31; and 611.32.

The bill was read for the first time.

Clark, J., moved that S. F. No. 1973 and H. F. No. 2097, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2077, A bill for an act relating to intoxicating liquor; allowing Shingobee township to issue and renew certain off-sale licenses; validating certain liquor licenses.

The bill was read for the first time and referred to the Committee on Regulated Industries.

S. F. No. 1576, A bill for an act relating to military justice; modifying the appeal of court-martial proceedings; clarifying when a military judge may issue search warrants; amending Minnesota Statutes 1982, sections 192A.325; 192A.345, subdivisions 2 and 8; 192A.612; repealing Minnesota Statutes 1982, section 192A.345, subdivisions 1 and 3.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 1588, A bill for an act relating to the environment; clarifying a definition in the Environmental Response and Liability Act; amending Minnesota Statutes 1983 Supplement, section 115B.02, subdivision 15.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1702, A bill for an act relating to counties; changing certain county powers; fixing expenditure authority for various county activities; changing penalties; revising the language of the text of chapters governing county powers and county boards; amending Minnesota Statutes 1982, chapters 373, as amended, and 375, as amended; repealing Minnesota Statutes 1982, section 375.29.

The bill was read for the first time.

Anderson, G., moved that S. F. No. 1702 and H. F. No. 1666, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1669, A bill for an act relating to natural resources; authorizing the commissioner of natural resources to sell lands



and interests in land acquired for trail purposes which are no longer needed for trail purposes and which are located in certain cities.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 1789, A bill for an act relating to state land; modifying certain procedures relating to sale of surplus state land; amending Minnesota Statutes 1982, section 94.10, subdivision 2.

The bill was read for the first time.

Norton moved that S. F. No. 1789 and H. F. No. 2302, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1790, A bill for an act relating to natural resources; eliminating duplicative appraisal reviews in land acquisition procedures; amending Minnesota Statutes 1982, section 84.0272; repealing Minnesota Statutes 1982, section 84.0271.

The bill was read for the first time.

Norton moved that S. F. No. 1790 and H. F. No. 2299, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1794, A bill for an act relating to waters; legislative approval to provide water to Emerson, Manitoba by the North Kittson Rural Water District.

The bill was read for the first time.

Tunheim moved that S. F. No. 1794 and H. F. No. 1791, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1825, A bill for an act relating to Otter Tail County; authorizing the county board to adopt an ordinance for the control of dogs and cats.

The bill was read for the first time and referred to the Committee on Local and Urban Affairs.

S. F. No. 1931, A bill for an act relating to the city of St. Paul; permitting the city to adopt certain regulations for smoke detection devices.

The bill was read for the first time.

Cohen moved that S. F. No. 1931 and H. F. No. 1952, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 2076, A bill for an act relating to transportation; authorizing extension of I-35 in Duluth; amending Minnesota Statutes 1982, sections 161.12; and 161.1245, by adding a subdivision.

The bill was read for the first time.

Munger moved that S. F. No. 2076 and H. F. No. 2177, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1628, A bill for an act relating to public welfare; setting licensing, planning and zoning provisions with respect to licensed residential and day care facilities; providing that certain facilities are permitted multi-family uses; allowing municipalities to require conditional use permits for certain other facilities; requiring counties to engage in planning to promote dispersal of residential facilities; providing that certain facilities are permitted single family uses; amending Minnesota Statutes 1982, sections 245.783, by adding a subdivision; 245.812, subdivisions 3, 4 and 7, and by adding a subdivision; and 462.357, subdivisions 7, 8, and by adding a subdivision.

The bill was read for the first time.

Greenfield moved that S. F. No. 1628 and H. F. No. 1967, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1351, A bill for an act relating to commerce; providing an alternative distribution of assets following voluntary dissolution of a cooperative association; amending Minnesota Statutes 1982, section 308.14, by adding a subdivision.

The bill was read for the first time.

Graba moved that S. F. No. 1351 and H. F. No. 1884, now on Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1504, A bill for an act relating to commerce; providing various definitions applicable to the regulation of sales of subdivided lands; providing for the registration of subdivided lands; requiring the use of public offering statements; providing certain exemptions to the subdivided land statutes; providing for the rescission of subdivided land sales contracts; regulating the filing of subdivided land documents; prohibiting the publishing of false, misleading, or deceptive advertising regarding subdivi-

vided lands; providing the filing of annual reports; regulating supplemental subdivided land reports; providing for the revocation or suspension of a subdivided land registration; regulating service of process on subdivided land registration applicants; establishing prohibited practices; prescribing penalties; amending Minnesota Statutes 1982, sections 83.20, subdivisions 1, 5, 11, and by adding subdivisions; 83.21; 83.23; 83.24; 83.25, subdivision 1; 83.26; 83.27; 83.28; 83.29, by adding subdivisions; 83.30; 83.31; 83.33, subdivisions 1 and 2; 83.34, subdivision 1; 83.35; 83.36; 83.37; 83.38, subdivision 2; 83.39; 83.40; 83.41; 83.42; proposing new law coded in Minnesota Statutes, chapter 83; repealing Minnesota Statutes 1982, section 83.33, subdivision 3.

The bill was read for the first time.

Peterson moved that S. F. No. 1504 and H. F. No. 1635, now on the Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1511, A bill for an act relating to taxation; property; modifying the exemption for property held by political subdivisions; amending Minnesota Statutes 1982, section 272.02, subdivision 5.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 1477, A bill for an act relating to workers' compensation; clarifying the law concerning ridesharing; providing for miscellaneous changes in the workers' compensation process; amending Minnesota Statutes 1982, sections 176.135, by adding a subdivision; 176.231, subdivision 1; 176.241, subdivisions 1 and 3, and by adding subdivisions; 176.271, subdivision 2; 176.351, by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 79.34, subdivision 1; 176.041, subdivision 1; 176.101, subdivisions 3a, 3b, 3e, 3g, 3i, 3j, 3l, 3m, 3o, 3q, 3r, and 3t; 176.102, subdivisions 3a and 9; 176.103, subdivision 3, and by adding a subdivision; 176.104, subdivisions 1 and 2; 176.129, subdivisions 3, 4, and by adding a subdivision; 176.135, subdivision 1; 176.136; 176.138; 176.183, subdivision 1; 176.221, subdivisions 1, 3, and by adding a subdivision; 176.231, subdivision 9; 176.241, subdivision 2; 176.242, subdivisions 1, 2, 6, and 8; 176.243, subdivision 3; 176.361; 176.421, subdivision 7; 176.442; 176.66, subdivisions 10 and 11; 176.83; 176.85, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 176; repealing Minnesota Statutes 1982, sections 79.22, subdivision 2; and Minnesota Statutes 1983 Supplement, sections 147.02, subdivision 4; 176.051, subdivisions 2, 3, and 4; and 176.129, subdivision 5.

The bill was read for the first time.

Simoneau moved that S. F. No. 1477 and H. F. No. 1767, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

### CONSENT CALENDAR

Eken moved that the bills on the Consent Calendar for today be continued. The motion prevailed.

### CALENDAR

Eken moved that the bill on the Calendar for today be continued. The motion prevailed.

### CONSIDERATION UNDER RULE 1.10

Pursuant to rule 1.10, Rice requested immediate consideration of H. F. No. 2317.

H. F. No. 2317 was reported to the House.

Welker moved to amend H. F. No. 2317, as follows:

Page 7, delete lines 24 to 37

Pages 14 to 16, delete Section 25

A roll call was requested and properly seconded.

### CALL OF THE HOUSE

On the motion of Rice and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Anderson, B.	Dempsey	Heap	Long	Peterson
Anderson, G.	DenOuden	Heinitz	Ludeman	Piepho
Anderson, R.	Dimler	Himle	Mann	Piper
Battaglia	Eken	Hoffman	Marsh	Price
Beard	Elioff	Hokr	McDonald	Quist
Begich	Ellingson	Jacobs	McEachern	Redalen
Bennett	Erickson	Jennings	McKasy	Reif
Bergstrom	Evans	Jensen	Metzen	Rice
Bishop	Findlay	Johnson	Munger	Riveness
Blatz	Fjoslien	Kahn	Murphy	Rodosovich
Boo	Forsythe	Kalis	Nelson, D.	Rodriguez, C.
Brandl	Frerichs	Kelly	Neuenschwander	Rodriguez, F.
Brinkman	Graba	Knickerbocker	O'Connor	Rose
Burger	Greenfield	Knuth	Ogren	St. Onge
Carlson, D.	Gruenes	Kostohryz	Olsen	Sarna
Carlson, L.	Gustafson	Krueger	Omann	Schafer
Clark, J.	Gutknecht	Kvam	Onnen	Schoenfeld
Cohen	Halberg	Larsen	Otis	Schreiber
Coleman	Haukoos	Levi	Pauly	Seaberg

Segal	Sparby	Tunheim	Voss	Wigley
Shaver	Staten	Uphus	Waltman	Wynia
Shea	Sviggum	Valan	Welch	Zaffke
Sherman	Swanson	Valento	Welker	Speaker Sieben
Skoglund	Thiede	Vanasek	Welle	
Solberg	Tomlinson	Vellenga	Wenzel	

Rice moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Welker amendment and the roll was called.

Rice moved that those not voting be excused from voting. The motion prevailed.

There were 25 yeas and 94 nays as follows:

Those who voted in the affirmative were:

Burger	Gutknecht	McDonald	Reif	Valento
DenOuden	Halberg	McKasy	Schafer	Voss
Dimler	Haukoos	Pauly	Seaberg	Waltman
Fjoslien	Jennings	Piepho	Sviggum	Welker
Frerichs	Ludeman	Quist	Uphus	Wigley

Those who voted in the negative were:

Anderson, B.	Elioff	Krueger	Otis	Sherman
Anderson, G.	Ellingson	Larsen	Peterson	Simoneau
Anderson, R.	Evans	Levi	Piper	Skoglund
Battaglia	Graba	Long	Price	Solberg
Beard	Greenfield	Mann	Quinn	Sparby
Begich	Gruenes	Marsh	Redalen	Staten
Bennett	Gustafson	McEachern	Rice	Swanson
Bergstrom	Heap	Minne	Riveness	Thiede
Bishop	Hoffman	Munger	Rodosovich	Tomlinson
Blatz	Hokr	Murphy	Rodriguez, C.	Tunheim
Boo	Jacobs	Nelson, D.	Rodriguez, F.	Valan
Brandl	Jensen	Nelson, K.	Rose	Vellenga
Brinkman	Johnson	Neuenschwander	St. Onge	Welch
Carlson, D.	Kahn	Norton	Sarna	Welle
Carlson, L.	Kalis	O'Connor	Scheid	Wenzel
Clark, J.	Kelly	Ogren	Schoenfeld	Wynia
Clark, K.	Knickerbocker	Olsen	Schreiber	Zaffke
Coleman	Knuth	Omann	Segal	Speaker Sieben
Dempsey	Kostohryz	Onnen	Shea	

The motion did not prevail and the amendment was not adopted.

Vellenga moved to amend H. F. No. 2317, as follows:

Page 95, line 9, delete "STATE ARCHAEOLOGIST" and insert "MINNESOTA HISTORICAL SOCIETY"

Page 95, line 10, delete "state"

Page 95, line 11, delete "archaeologist" and insert "Minnesota Historical Society"

Delete page 100, line 36 to page 108, line 18

Renumber subsequent sections and correct internal cross-references

Further, amend the title as follows:

Page 1, line 23, delete everything after the semicolon

Page 1, delete lines 24 and 25

Page 1, line 26, delete "138.41;"

Page 2, line 24, delete "138,"

The motion prevailed and the amendment was adopted.

McDonald, Schafer and Olsen moved to amend H. F. No. 2317, as amended, as follows:

Page 27, lines 6 to 17, delete section 44 from the bill

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 73 yeas and 52 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Erickson	Johnson	Omann	Sherman
Beard	Findlay	Kalis	Onnen	Sviggum
Bennett	Fjoslien	Knickerbocker	Pauly	Swanson
Bishop	Forsythe	Knuth	Piepho	Thiede
Blatz	Frerichs	Krueger	Quist	Uphus
Boo	Graba	Kvam	Redalen	Valan
Brinkman	Gruenes	Levi	Reif	Valento
Burger	Gutknecht	Ludeman	Rodriguez, C.	Waltman
Carlson, D.	Halberg	Marsh	Rose	Welker
Clawson	Haukoos	McDonald	Schafer	Welle
Cohen	Heap	McEachern	Schoenfeld	Wenzel
Dempsey	Heinitz	McKasy	Schreiber	Wigley
DenOuden	Himle	Minne	Seaberg	Zaffke
Dimler	Hokr	Neuenschwander	Segal	
Elioff	Jennings	Olsen	Shea	

Those who voted in the negative were:

Anderson, B.	Hoffman	Nelson, D.	Riveness	Staten
Battaglia	Jacobs	Nelson, K.	Rodosovich	Tomlinson
Begich	Jensen	Norton	Rodriguez, F.	Vanasek
Bergstrom	Kahn	O'Connor	St. Onge	Vellenga
Carlson, L.	Kelly	Ogren	Sarna	Voss
Clark, J.	Kostohryz	Otis	Scheid	Welch
Clark, K.	Larsen	Peterson	Shaver	Wynia
Coleman	Long	Piper	Simoneau	Speaker Sieben
Eken	Mann	Price	Skoglund	
Ellingson	Metzen	Quinn	Solberg	
Gustafson	Munger	Rice	Sparby	

The motion prevailed and the amendment was adopted.

Ludeman and Valento moved to amend H. F. No. 2317, as amended, as follows:

Page 212, delete lines 15 to 26

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 44 yeas and 78 nays as follows:

Those who voted in the affirmative were:

Bennett	Forsythe	Johnson	Pauly	Sherman
Blatz	Frerichs	Knickerbocker	Piepho	Sviggum
Burger	Gruenes	Kvam	Quist	Thiede
Dempsey	Gutknecht	Levi	Redalen	Uphus
DenOuden	Halberg	Ludeman	Reif	Valento
Dimler	Haukoos	Marsh	Schafer	Waltman
Erickson	Heap	McDonald	Schreiber	Welker
Findlay	Himle	Omann	Seaberg	Wigley
Fjoslien	Jennings	Onnen	Shaver	

Those who voted in the negative were:

Anderson, B.	Clark, J.	Heinitz	Mann	Olsen
Anderson, G.	Clark, K.	Hoffman	McEachern	Otis
Anderson, R.	Clawson	Jacobs	Metzen	Peterson
Battaglia	Cohen	Jensen	Minne	Piper
Beard	Coleman	Kahn	Munger	Price
Begich	Eken	Kalis	Murphy	Quinn
Bergstrom	Elioff	Kelly	Nelson, D.	Rice
Bishop	Ellingson	Knuth	Nelson, K.	Rodosovich
Brandl	Evans	Kostohryz	Neuenschwander	Rodriguez, C.
Brinkman	Graba	Krueger	Norton	Rodriguez, F.
Carlson, D.	Greenfield	Larsen	O'Connor	Rose
Carlson, L.	Gustafson	Long	Ogren	St. Onge

Sarna	Solberg	Tomlinson	Vellenga	Wenzel
Segal	Sparby	Tunheim	Voss	Wynia
Simoneau	Staten	Valan	Welch	Speaker Sieben
Skoglund	Swanson	Vanasek		

The motion did not prevail and the amendment was not adopted.

Dimler moved to amend H. F. No. 2317, as amended, as follows:

Page 91, delete line 36

Page 91, delete line 52

Page 92, delete lines 1 to 4

Pages 115 to 117 delete sections 41 and 42 from the bill

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 36 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Blatz	Fjoslien	Johnson	Redalen	Thiede
Boo	Frerichs	Kvam	Reif	Uphus
Burger	Halberg	Ludeman	Schafer	Valento
Carlson, D.	Haukoos	Marsh	Shaver	Waltman
Dimler	Heinitz	McDonald	Sherman	Welker
Erickson	Himle	Omman	Skoglund	Wigley
Evans	Jennings	Piepho	Sviggum	Zaffke
Findlay				

Those who voted in the negative were:

Anderson, B.	Dempsey	Kelly	Neuenschwander	Rice
Anderson, G.	Eken	Knickerbocker	Norton	Riveness
Anderson, R.	Elioff	Knuth	O'Connor	Rodosovich
Battaglia	Ellingson	Kostohryz	Ogren	Rodriguez, F.
Beard	Graba	Krueger	Olsen	Rose
Begich	Greenfield	Larsen	Onnen	St. Onge
Bennett	Gruenes	Long	Osthoff	Sarna
Bergstrom	Gustafson	Mann	Otis	Scheid
Bishop	Gutknecht	McEachern	Pauly	Schoenfeld
Brandl	Hoffman	Metzen	Peterson	Schreiber
Brinkman	Jacobs	Minne	Piper	Seaberg
Carlson, L.	Jensen	Munger	Price	Segal
Clawson	Kahn	Murphy	Quinn	Shea
Cohen	Kalis	Nelson, D.	Quist	Solberg



Sparby	Tomlinson	Vanasek	Welle	Wynia
Staten	Tunheim	Voss	Wenzel	Speaker Sieben
Swanson	Valan	Welch		

The motion did not prevail and the amendment was not adopted.

Anderson, G., moved to amend H. F. No. 2317, as amended, as follows:

Page 155, line 22, delete "*commission employees*" and insert "*persons that are employed by the commission as of March 1, 1984*"

Page 155, line 23, delete "*provided by the commission*"

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 80 yeas and 47 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Knickerbocker	Norton	Schreiber
Anderson, C.	Findlay	Knuth	Olsen	Seaberg
Anderson, R.	Fjoslien	Kostohryz	Omarn	Segal
Bennett	Forsythe	Krueger	Onnen	Shaver
Bishop	Frerichs	Kvam	Pauly	Shea
Blatz	Graba	Larsen	Piepho	Sherman
Boo	Gruenes	Levi	Quinn	Sviggum
Brinkman	Gutknecht	Ludeman	Quist	Thiede
Burger	Halberg	Mann	Redalen	Uphus
Carlson, D.	Haukoos	Marsh	Reif	Valan
Clawson	Heinitz	McDonald	Rodosovich	Valento
Cohen	Himle	McEachern	Rodriguez, C.	Waltman
Dempsey	Hoffman	McKasy	Rose	Welker
DenOuden	Hokr	Munger	Schafer	Wenzel
Dimler	Jennings	Nelson, D.	Scheid	Wigley
Erickson	Johnson	Neuenschwander	Schoenfeld	Zaffke

Those who voted in the negative were:

Battaglia	Gustafson	Nelson, K.	Rodriguez, F.	Vanasek
Beard	Heap	O'Connor	Sarna	Vellenga
Begich	Jacobs	Ogren	Simoneau	Voss
Brandl	Jensen	Osthoff	Skoglund	Welch
Carlson, L.	Kahn	Otis	Solberg	Welle
Clark, J.	Kalis	Peterson	Sparby	Wynia
Coleman	Kelly	Piper	Staten	Speaker Sieben
Eken	Long	Price	Swanson	
Elioff	Metzen	Rice	Tomlinson	
Greenfield	Murphy	Riveness	Tunheim	

The motion prevailed and the amendment was adopted.

Anderson, G., moved to amend H. F. No. 2317, as amended, as follows:

Page 119, lines 9 to 15 delete the new language

A roll call was requested and properly seconded.

The question was taken on the amendment and the roll was called.

Vanasek moved that those not voting be excused from voting. The motion prevailed.

There were 56 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Frerichs	Levi	Rodosovich	Thiede
Anderson, G.	Gruenes	Ludeman	Rodriguez, C.	Tunheim
Blatz	Cutknecht	Mann	Rose	Uphus
Boo	Halberg	Marsh	Schafer	Valento
Carlson, D.	Haukoos	McKasy	Schreiber	Vanasek
Clawson	Heinitz	Norton	Seaberg	Waltman
DenOuden	Himle	Olsen	Shaver	Welch
Erickson	Jennings	Omann	Shea	Welker
Evans	Johnson	Onnen	Sherman	Welle
Findlay	Knickerbocker	Pauly	Skoglund	Wigley
Fjoslien	Kvam	Redalen	Sviggum	Zaffke
Forsythe				

Those who voted in the negative were:

Anderson, R.	Dempsey	Knuth	Peterson	Segal
Battaglia	Dimler	Kostohryz	Piepho	Simoneau
Beard	Elioff	Krueger	Price	Solberg
Begich	Graba	Larsen	Quinn	Sparby
Bennett	Greenfield	McEachern	Quist	Staten
Bergstrom	Gustafson	Metzen	Rice	Swanson
Bishop	Heap	Minne	Riveness	Tomlinson
Brandl	Jacobs	Murphy	Rodriguez, F.	Wenzel
Brinkman	Jensen	Nelson, D.	St. Onge	Wynia
Burger	Kahn	O'Connor	Sarna	Speaker Sieben
Carlson, L.	Kalis	Osthoff	Scheid	
Coleman	Kelly	Otis	Schoenfeld	

The motion did not prevail and the amendment was not adopted.

Jennings, McKasy and Fjoslien moved to amend H. F. No. 2317, as amended, as follows:

Page 2, line 53, delete "\$16,114,500" and insert "\$15,840,200"

Page 2, line 53, delete "\$16,846,800" and insert "\$16,572,500"

Page 3, line 7, delete "\$104,880,700" and insert "\$104,606,400"

Page 3, line 7, delete "\$135,926,500" and insert "\$135,652,200"

Page 3, line 10, delete "\$90,545,100" and insert "\$90,270,800"

Page 3, line 10, delete "\$95,192,400" and insert "\$94,918,100"

Page 3, line 15, delete "\$104,880,700" and insert "\$104,606,400"

Page 3, line 15, delete "\$135,926,500" and insert "\$135,652,200"

Page 14, delete lines 11 to 20

Page 14, line 21, delete "(b)" and insert "(a)"

Pages 22 and 23, delete sections 32 and 33

Pages 25 and 26, delete section 41 and insert:

"Sec. 41.

*Notwithstanding the provisions of Minnesota Statutes 1983 Supplement, section 15A.082, subdivisions 3 and 5, the salary plans and other proposals recommended by the compensation council to the legislature are expressly rejected."*

Renumber the remaining sections

Amend the title accordingly

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 61 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Findlay	Jennings	Olsen	Shaver
Anderson, R.	Fjoslien	Johnson	Omman	Sherman
Bennett	Forsythe	Knuth	Onnen	Sviggum
Bergstrom	Frerichs	Krueger	Pauly	Thiede
Blatz	Graba	Kvam	Piepho	Uphus
Boo	Gruenes	Levi	Quist	Valan
Brinkman	Gutknecht	Ludeman	Redalen	Valento
Burger	Halberg	Mann	Reif	Waltman
Dempsey	Haukoos	Marsh	Rodriguez, C.	Welker
DenOuden	Heap	McDonald	Rose	Wenzel
Dimler	Himle	McEachern	Schafer	Wigley
Erickson	Hokr	McKasy	Seaberg	Zaffke
Evans				

Those who voted in the negative were:

Battaglia	Ellingson	Munger	Rice	Solberg
Beard	Greenfield	Murphy	Riveness	Sparby
Begich	Gustafson	Nelson, D.	Rodosovich	Staten
Bishop	Heinitz	Nelson, K.	Rodriguez, F.	Swanson
Brandl	Jensen	Neuenschwander	St. Onge	Tomlinson
Carlson, D.	Kahn	Norton	Sarna	Tunheim
Carlson, L.	Knickerbocker	Ogren	Schoenfeld	Vanasek
Clark, J.	Kostohryz	Osthoff	Schreiber	Vellenga
Clark, K.	Larsen	Otis	Segal	Voss
Clawson	Long	Peterson	Shea	Welle
Coleman	Metzen	Piper	Simoneau	Wynia
Eken	Minne	Price	Skoglund	Speaker Sieben
Elioff				

The motion did not prevail and the amendment was not adopted.

Thiede moved to amend H. F. No. 2317, as amended, as follows:

Page 20, after line 2, insert:

"Section 30. Minnesota Statutes 1978, section 3.099, subdivision 1, is amended to read:

[3.099] [MEMBERS; COMPENSATION AND EXPENSES, FLEXIBLE SESSIONS.] Subdivision 1. The compensation of each member of the legislature shall be due on the first day of the regular legislative session of the term and payable in equal parts on the fifteenth day of January and on the first day of each month, February to December, inclusive, during the term for which he was elected.

Each member shall receive mileage for necessary travel in going to and returning from the place of meeting to his place of residence in such amount and for such trips as may be authorized by the senate as to senate members, and by the house of representatives as to house members.

*In addition to compensation for the expense of travel to and from the place of meeting, each member shall receive (IN ADDITION TO THE FOREGOING, SUCH PER DIEM) compensation for actual living expenses during a regular or special session of (THE PER DIEM) actual living expenses payable (PURPOSES AS MAY BE) the manner determined by the senate as to senate members and by the house of representatives as to house members (; PROVIDED, THAT BECAUSE OF THE SALARY INCREASES PROVIDED IN SUBDIVISION 2,). The amount of (THE PER DIEM) actual living expenses payable (PURSUANT TO THIS SECTION DURING THE 71ST LEGISLATIVE SESSION) shall (BE SET AT A LEVEL) not to exceed \$36 each day for each member who has moved from his usual place of lodging during a substantial part of the session and not*

to exceed \$26 *each day* for each member who has not so changed his place of lodging. *The daily limits shall not include expenses for in state or out of state travel and lodging and other expenses in the performance of duty. Payment for expenses shall be made only upon submission by each member of a signed claim itemizing the actual living expenses.*

On the fifteenth day of January and on the first day of each month, February to December, inclusive, the secretary of the senate and the chief clerk of the house of representatives, shall certify to the commissioner of finance, in duplicate, the amount of compensation then payable to each member of their respective houses, and the aggregate thereof.

Sec. 31. Minnesota Statutes 1978, section 3.102, is amended to read:

3.102 [LEGISLATIVE OFFICIAL EXPENSES DURING INTERIM.] Each member of the legislature shall be reimbursed for *actual* expenses incurred while engaged in official business when the legislature is not in session. The amount of such reimbursement shall not exceed \$48 per day (AS A PER DIEM EXPENSE ALLOWANCE) for all expenses incurred except travel and lodging. The member shall also be reimbursed for travel and lodging expenses in the same manner and amount as state employees. *Payment for actual expenses shall be made only upon submission by each member of a signed claim itemizing the actual expenses.*

Expenses for members of the legislature are payable in the manner (AND IN THE AMOUNT) designated by the senate committee on rules and administration as to members of the senate and by the committee on rules and legislative administration as to members of the house of representatives.

The expense allowances provided for herein to the persons designated are in lieu of any other expenses authorized by law or resolution for the same purposes.

Sec. 32. *Minnesota Statutes 1978, Sections 3.101 and 3.103, are repealed."*

Renumber sections accordingly.

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 40 yeas and 71 nays as follows :

Those who voted in the affirmative were :

Bennett	Fjoslien	Johnson	Piepho	Sherman
Blatz	Forsythe	Kvam	Quist	Skoglund
Burger	Frerichs	Ludeman	Redalen	Thiede
Cohen	Gutknecht	Marsh	Reif	Uphus
Dempsey	Heinitz	McDonald	Rose	Valento
DenOuden	Himle	Olsen	Schafer	Waltman
Erickson	Hokr	Onnen	Shaver	Welker
Findlay	Jennings	Pauly	Shea	Zaffke

Those who voted in the negative were :

Anderson, B.	Dimler	Knuth	Osthoff	Simoneau
Anderson, R.	Eken	Kostohryz	Otis	Solberg
Battaglia	Elioff	Krueger	Peterson	Sparby
Beard	Ellingson	Larsen	Price	Staten
Begich	Evans	Long	Quinn	Swanson
Bergstrom	Graba	Mann	Rice	Tomlinson
Boo	Gustafson	Minne	Riveness	Tunheim
Brandl	Hoffman	Munger	Rodosovich	Vanasek
Brinkman	Jacobs	Murphy	Rodriguez, F.	Vellienga
Carlson, D.	Jensen	Nelson, D.	St. Onge	Voss
Carlson, L.	Kahn	Nelson, K.	Sarna	Welch
Clark, J.	Kalis	Neuenschwander	Schoenfeld	Wenzel
Clark, K.	Kelly	Ogren	Seaberg	Wynia
Clawson	Knickerbocker	Omann	Segal	Speaker Sieben
Coleman				

The motion did not prevail and the amendment was not adopted.

Anderson, G., moved to amend H. F. No. 2317, as amended, as follows :

Pages 117 to 120, delete section 43 from the bill

Renumber the sections

Amend the title accordingly

A roll call was requested and properly seconded.

Osthoff moved to amend the Anderson, G., amendment to H. F. No. 2317, as amended, as follows :

Delete from the Anderson, G., amendment "Pages 117 to 120, delete section 43 from the bill" and insert "Page 120, delete the new language on lines 2 and 3"

The motion did not prevail and the amendment to the amendment was not adopted.

The question recurred on the Anderson, G., amendment and the roll was called.

Eken moved that those not voting be excused from voting. The motion prevailed.

There were 91 yeas and 23 nays as follows:

Those who voted in the affirmative were:

Anderson, B.	Evans	Kvam	Redalen	Sviggum
Anderson, G.	Findlay	Levi	Reif	Swanson
Anderson, R.	Fjoslien	Ludeman	Rice	Thiede
Beard	Forsythe	Mann	Riveness	Tunheim
Bennett	Graba	Marsh	Rodosovich	Uphus
Blatz	Cruenes	McDonald	Rodriguez, C.	Valan
Boo	Gustafson	McKasy	Rose	Valento
Brandl	Cutknecht	Minne	St. Onge	Vanasek
Brinkman	Halberg	Munger	Schafer	Waltman
Burger	Haukoos	Neuenschwander	Schoenfeld	Welch
Carlson, D.	Heap	Norton	Schreiber	Welker
Carlson, L.	Heinitz	Olsen	Seaberg	Welle
Clark, K.	Hoffman	Omann	Shea	Wigley
Clawson	Hokr	Onnen	Sherman	Wynia
DenOuden	Jennings	Otis	Simoneau	Zaffke
Dimler	Johnson	Pauly	Skoglund	
Eken	Knickerbocker	Peterson	Solberg	
Elioff	Knuth	Price	Sparby	
Erickson	Krueger	Quist	Staten	

Those who voted in the negative were:

Battaglia	Jacobs	Larsen	Piepho	Scheid
Begich	Jensen	Murphy	Piper	Wenzel
Dempsey	Kahn	O'Connor	Quinn	Speaker Sieben
Ellingson	Kelly	Ogren	Rodriguez, F.	
Greenfield	Kostohryz	Osthoff	Sarna	

The motion prevailed and the amendment was adopted.

Rice moved to amend H. F. No. 2317, as amended, as follows:

Page 117, after line 33, insert a section to read:

"Sec. 43. Minnesota Statutes 1982, section 168.33, subdivision 2, is amended to read:

Subd. 2. [POWERS.] The registrar shall have the power to appoint, hire and discharge and fix the compensation of the necessary employees, in the manner provided by law, as may be required to enable him to properly carry out the duties imposed upon him by the provisions of this chapter. As of April 14, 1976, the registrar may appoint, and for cause discontinued, a deputy registrar for any city as the public interest and convenience may require, without regard to whether the county auditor of the county in which the city is situated has been appointed as the deputy registrar for the county or has been discontinued as the

deputy registrar for the county, and without regard to whether the county in which the city is situated has established a county license bureau which issues motor vehicle licenses as provided in section 373.32.

Effective August 1, 1976, the registrar may appoint, and for cause discontinue, a deputy registrar for any city as the public interest and convenience may require, if the auditor for the county in which the city is situated chooses not to accept appointment as the deputy registrar for the county or is discontinued as a deputy registrar, or if the county in which the city is situated has not established a county license bureau which issues motor vehicle license as provided in section 373.32. Any person appointed by the registrar as a deputy registrar for any city shall be a resident of the county in which the city is situated.

The registrar may appoint, and for cause discontinue, the county auditor of each county as a deputy registrar. The auditor, with the approval of the director of motor vehicles, may appoint, and for cause discontinue, the clerk or equivalent officer of each city or any other person as a deputy registrar as public interest and convenience may require, regardless of his county of residence. Notwithstanding any other provision, a person other than a county auditor or a director of a county license bureau, who was appointed by the registrar before August 1, 1976, as a deputy registrar for any city, may continue to serve as deputy registrar and may be discontinued for cause only by the registrar. The county auditor shall be responsible for the acts of deputy registrars appointed by him. Each such deputy, before entering upon the discharge of his duties, shall take and subscribe an oath to faithfully discharge his duties and to uphold the laws of the state. If a deputy registrar appointed hereunder is not an officer or employee of a county or city, such deputy shall in addition give bond to the state in the sum of \$10,000, or such larger sum as may be required by the registrar, conditioned upon the faithful discharge of his duties as deputy registrar. *A corporation organized pursuant to chapter 302A may be appointed a deputy registrar. Upon application by a person serving as a deputy registrar and the giving of the requisite bond as provided in subdivision 2 of this section, a corporation named in an application shall become the duly appointed and qualified successor to the deputy registrar.* Each deputy registrar appointed hereunder shall keep and maintain, in a convenient public place within the place for which he is appointed, a registration and motor vehicle tax collection bureau, to be approved by the registrar, for the registration of motor vehicles and the collection of motor vehicle taxes thereon. He shall keep such records and make such reports to the registrar as that officer, from time to time, may require. Such records shall be maintained at the facility of the deputy registrar. The records and facilities of the deputy registrar shall at all times be open to the inspection of the registrar or his agents. He shall report daily to the registrar all registrations made and taxes and fees collected by him. The filing fee imposed pursuant



to subdivision 7 shall be deposited in the treasury of the place for which he is appointed, or if such deputy is not a public official, he shall retain the filing fee, but the registration tax and any additional fees for delayed registration he has collected he shall deposit each day in an approved state depository to the credit of the state through the state treasurer. The place for which the deputy registrar is appointed through its governing body shall provide the deputy registrar with facilities and personnel to carry out the duties imposed by this subdivision if such deputy is a public official. In all other cases, the deputy shall maintain a suitable facility for serving the public."

Renumber the sections

Amend the title accordingly

#### POINT OF ORDER

Knickerbocker raised a point of order pursuant to section 401, paragraph 4, of "Mason's Manual of Legislative Procedure" that the amendment was out of order. The Speaker ruled the point of order not well taken and the amendment in order.

The question recurred on the Rice amendment to H. F. No. 2317, as amended. The motion prevailed and the amendment was adopted.

H. F. No. 2317, A bill for an act relating to the organization and operation of state government; clarifying, providing for deficiencies in, and supplementing appropriations for the expenses of state government with certain conditions; creating and modifying agencies and functions; fixing and limiting fees; requiring studies and reports; appropriating money; amending Minnesota Statutes 1982, sections 3.099, subdivisions 2 and 3; 3.30, subdivision 2; 3.3005; 10.12; 10.14; 10.15; 11A.08, subdivision 3; 15.0575, subdivision 3; 15.0597, subdivision 1; 16.026, subdivisions 3 and 7; 16.80, subdivision 1; 16A.04, subdivisions 1 and 4; 16A.06; 16A.065; 16A.125, subdivision 6; 16A.13, subdivisions 1 and 2; 16A.131, subdivision 1; 16A.14, subdivision 2; 16A.28; 16A.45; 16A.53; 16A.63; 16A.64, as amended; 16A.65; 16A.66, as amended; 16A.671; 16A.675; 43A.27, by adding a subdivision; 43A.30, by adding a subdivision; 84.085; 84A.53; 84A.54; 84B.03, by adding a subdivision; 94.16; 117.085; 117.195, subdivision 1; 117.232, subdivision 1; 125.031; 136.11, subdivisions 2 and 7; 136.506; 136.55, subdivision 2; 136A.81, subdivision 1; 138.31, subdivisions 2, 5, 9, 10, and by adding a subdivision; 138.33; 138.34; 138.35; 138.36; 138.37, subdivision 2; 138.38; 138.39; 138.40; 138.41; 144.413, subdivision 2; 144.414; 158.07; 158.08; 161.173; 161.174; 168.12, subdivisions 1 and 5; 168.33, subdivision 2; 169.966, subdivision 1a, and by adding a subdivision; 174.22, subdivisions 5, 10, and 13, and by adding a subdivision; 174.23, subdivisions 2 and 4; 174.24, subdivisions

1, 2, and 5; 174.265, subdivision 3; 179.741, subdivision 2; 214-001, subdivision 2; 214.13, subdivisions 1, 2, 3, and 5; 221.295; 239.10; 241.66, subdivision 2; 245.811; 256E.07, subdivision 1, and by adding subdivisions; 296.13; 299D.03, subdivision 2; 340.11, subdivision 11a; 345.47, subdivision 1, and by adding a subdivision; 345.525; 352.01, subdivision 2A; 359.01; 462A.05, subdivision 20; 473.121, subdivisions 7, 10, 18, 19, and by adding subdivisions; 473.146, subdivisions 3 and 4; 473.164; 473.167, subdivision 1; 473.168, subdivision 2; 473.181, subdivision 3; 473.223; 473.404; 473.405; 473.409; 473.411; 473.416; 473.435; 473.436, by adding a subdivision; 473.445; 473.446, subdivision 2a, and by adding subdivisions; and 473.449; Minnesota Statutes 1983 Supplement, sections 3.3026, subdivision 5; 3.732, subdivision 1; 10A.01, subdivision 18; 15A.081, subdivisions 1, 6, and 7; 16A.125, subdivision 5; 16A.15, subdivision 6; 16A.36; 16A.672; 43A.04, subdivision 8; 85.40, subdivision 5; 85.41, subdivisions 3, 4, and 5; 116J.70, subdivision 2a; 135A.03, subdivisions 1, 3, and 4; 135A.07, subdivision 2; 136.144; 136A.121, subdivision 2; 161.43; 161.44, subdivision 6a; 174.24, subdivision 3; 180.03, subdivision 2; 214.06, subdivision 1; 214.13, subdivision 4; 221.041, by adding a subdivision; 221.071, subdivision 1; 256.01, subdivision 2; 256B.501, subdivision 10; 256D.111, subdivision 2; 256D.112; 268.673, subdivision 5; 268.675; 268.676, subdivisions 1 and 2; 268.677; 268.686; 268.80; 268.81; 298.296, subdivision 1; 357.021, subdivision 2a; 462A.07, subdivision 15; 473.436, subdivision 6; 517.08, subdivision 1c; Laws 1983, chapter 199, section 17, subdivision 2; chapter 258, section 2, subdivision 7; chapter 290, section 172; chapter 293, sections 1; 2, subdivisions 2, 8, and 9; 4, subdivisions 1 and 3; and 6; chapter 301, sections 38, 39, 40, 41, and 42; proposing new law coded in Minnesota Statutes, chapters 13, 16, 16A, 18, 48, 84, 136, 138, 161, 190, 214, 221, 246, 256B, 268, 349, and 473; proposing new law coded as Minnesota Statutes, chapters 16B, 40A, 119, and 494; repealing Minnesota Statutes 1982, sections 10.13; 16A.132; 16A.51; 16A.54; 16A.59; 16A.73; 84.82, subdivision 9; 120.83; 136.11, subdivision 6; 136A.133; 174.03, subdivision 5a; 174.24, subdivisions 3a and 4; 174.265; 174.31; 256E.07, subdivision 3; 473.401; 473.402; 473.403; 473.411, subdivision 1; 473.413, as amended; and 473.451; Minnesota Statutes 1983 Supplement, sections 120.801; 120.802; 120.803; 120.804; 120.805; 120.806; and 120.81; Laws 1983, chapter 289, section 102.

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 77 yeas and 52 nays as follows:

## Those who voted in the affirmative were:

Anderson, B.	Eken	Kostohryz	Price	Sparby
Anderson, G.	Elioff	Larsen	Quinn	Staten
Anderson, R.	Ellingson	Long	Rice	Swanson
Battaglia	Evans	Mann	Riveness	Tomlinson
Beard	Graba	McEachern	Rodosovich	Tunheim
Begich	Greenfield	Minne	Rodriguez, C.	Valan
Bergstrom	Gustafson	Munger	Rodriguez, F.	Vanasek
Bishop	Heinitz	Murphy	Rose	Vellenga
Brandl	Hoffman	Nelson, K.	St. Onge	Voss
Brinkman	Hokr	Neuenschwander	Sarna	Welch
Carlson, D.	Jacobs	Norton	Schoenfeld	Welle
Carlson, L.	Jensen	O'Connor	Segal	Wynia
Clark, J.	Kahn	Ogren	Shea	Speaker Sieben
Clark, K.	Kalis	Otis	Simoneau	
Clawson	Kelly	Peterson	Skoglund	
Coleman	Knuth	Piper	Solberg	

## Those who voted in the negative were:

Bennett	Forsythe	Krueger	Pauly	Sviggum
Blatz	Frerichs	Kvam	Piepho	Thiede
Boo	Gruenes	Levi	Quist	Uphus
Burger	Gutknecht	Ludeman	Redalen	Valento
Cohen	Halberg	Marsh	Reif	Waltman
Dempsey	Haukoos	McDonald	Schafer	Welker
DenOuden	Heap	McKasy	Scheid	Wigley
Dimler	Himle	Olsen	Schreiber	Zaffke
Erickson	Jennings	Omann	Seaberg	
Findlay	Johnson	Onnen	Shaver	
Fjoslien	Knickerbocker	Osthoff	Sherman	

The bill was passed, as amended, and its title agreed to.

## CALL OF THE HOUSE LIFTED

Eken moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

## GENERAL ORDERS

Eken moved that the bills on General Orders for today be continued. The motion prevailed.

There being no objection the order of business reverted to Reports of Standing Committees.

## REPORTS OF STANDING COMMITTEES

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 63, A bill for an act relating to local government; authorizing counties or cities to enact ordinances against tres-

passing under certain conditions; prescribing penalties; proposing new law coded in Minnesota Statutes, chapter 471.

Reported the same back with the following amendments:

Page 2, delete lines 17 to 21

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1230, A bill for an act relating to marriage dissolution; allowing separate summary judgment on the issue of dissolution; removing a conclusive presumption that each spouse made substantial contribution to acquiring certain property; excluding mediators' information except on consent of the parties; providing for deposing of investigators; amending Minnesota Statutes 1982, sections 518.13, by adding a subdivision; 518.167; and 518.58.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 518.13, is amended by adding a subdivision to read:

*Subd. 5. [SUMMARY JUDGMENT.] The court may order for emergency or compelling reasons or upon the request of both parties summary judgment on the issue of dissolution. The court shall have continuing jurisdiction over all the remaining issues relative to the marital dissolution. If one of the parties shall die subsequent to the entry of summary judgment on the issue of dissolution but before the entry of a final judgment and decree resolving all issues relative to the marital dissolution, entry of such a summary judgment shall be considered to have severed all property owned by the parties and titled in joint tenancy into an equal tenancy-in-common and reserve any remaining issues for subsequent determination if that action appears to be in the best interests of the parties or the children of the parties.*

Sec. 2. Minnesota Statutes 1982, section 518.167, is amended to read:

518.167 [INVESTIGATIONS AND REPORTS.]

Subdivision 1. In contested custody proceedings, and in other custody proceedings if a parent or the child's custodian

so requests, the court may order an investigation and report concerning custodial arrangements for the child. The investigation and report may be made by the county welfare agency or department of court services.

Subd. 2. In preparing his report concerning a child, the investigator may consult any person who may have information about the child and his potential custodial arrangements *except for persons involved in mediation efforts between the parties. Mediation personnel may disclose to investigators and evaluators information collected during mediation only if agreed to in writing by all parties.* Upon order of the court, the investigator may refer the child to professional personnel for diagnosis. The investigator may consult with and obtain information from medical, psychiatric, *school personnel*, or other expert persons who have served the child in the past after obtaining the consent of the parents or the child's custodian or guardian. (IF THE REQUIREMENTS OF SUBDIVISION 3 ARE FULFILLED, THE INVESTIGATOR'S REPORT MAY BE RECEIVED IN EVIDENCE AT THE HEARING) *Mediation proceedings are not subject to discovery without written consent of both parties.*

Subd. 3. The court shall mail the investigator's report to counsel and to any party not represented by counsel at least ten days before the hearing. The investigator shall *maintain and, upon request, make available to counsel and to a party not represented by counsel the investigator's file of handwritten notes, underlying data and reports, complete texts of diagnostic reports made to the investigator pursuant to the provisions of subdivision 2, and the names and addresses of all persons whom the investigator has consulted. The investigator and any person the investigator has consulted is subject to being deposed and to other pretrial discovery under the Minnesota Rules of Civil Procedure.* A party to the proceeding may call the investigator and any person whom he has consulted for cross-examination at the hearing. A party may not waive his right of cross-examination before the hearing.

Subd. 4. *The investigator's report may be received at the hearing.*

Sec. 3. Minnesota Statutes 1982, section 518.58, is amended to read:

518.58 [DIVISION OF MARITAL PROPERTY.]

Upon a dissolution of a marriage, an annulment, or in a proceeding for disposition of property following a dissolution of marriage by a court which lacked personal jurisdiction over the absent spouse or lacked jurisdiction to dispose of the property and which has since acquired jurisdiction, the court shall make a just and equitable division of the marital property of the

parties without regard to marital misconduct, after making findings regarding the division of the property. The court shall base its findings on all relevant factors including the length of the marriage, any prior marriage of a party, the age, health, station, occupation, amount and sources of income, vocational skills, employability, estate, liabilities, needs, opportunity for future acquisition of capital assets, and income of each party. The court shall also consider the contribution of each in the acquisition, preservation, depreciation or appreciation in the amount or value of the marital property, as well as the contribution of a spouse as a homemaker. It shall be conclusively presumed that each spouse made a substantial contribution to the acquisition of income and property while they were living together as husband and wife. The court may also award to either spouse the household goods and furniture of the parties, whether or not acquired during the marriage.

If the court finds that either spouse's resources or property, including his portion of the marital property as defined in section 518.54, subdivision 5 are so inadequate as to work an unfair hardship, considering all relevant circumstances, the court may, in addition to the marital property, apportion up to one-half of the property otherwise excluded under section 518.54, subdivision 5, clauses (a) to (d) to prevent the unfair hardship. If the court apportions property other than marital property, it shall make findings in support of the apportionment. The findings shall be based on all relevant factors including the length of the marriage, any prior marriage of a party, the age, health, station, occupation, amount and sources of income, vocational skills, employability, estate, liabilities, needs, and opportunity for future acquisition of capital assets and income of each party.

If the court finds that it is necessary to preserve the marital assets of the parties, the court may order the sale of the homestead of the parties or the sale of other marital assets, as the individual circumstances may require, during the pendency of a proceeding for a dissolution of marriage or an annulment. If the court orders a sale, it may further provide for the disposition of the funds received from the sale during the pendency of the proceeding.

*If the court finds that there are substantial marital assets under the control of one spouse, the court may allow for a partial distribution of marital assets during the pendency of a proceeding for a dissolution of marriage or an annulment for emergency or compelling reasons or upon the request of both parties."*

Amend the title as follows:

Page 1, line 3, delete "removing"

Page 1, delete lines 4 and 5

Page 1, line 6, delete "property;"

Page 1, line 8, before "amending" insert "allowing a partial distribution of marital assets during the pendency of a dissolution proceeding;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1284, A bill for an act relating to crimes; subjecting certain property to forfeiture if exchanged for or associated with controlled substances; conforming definitions with other statutes; amending Minnesota Statutes 1982, section 152.19, subdivisions 1, 2, 4, 5, and 8.

Reported the same back with the following amendments:

Page 3, line 33, delete "242.19" and insert "152.19"

Page 4, line 13, after "agency" insert "*that handled the forfeiture*"

Page 4, line 30, before "Proceeds" insert "*One-third of the*"

Page 4, line 32, reinstate the stricken language

Page 4, line 33, reinstate everything before the first stricken "of"

Page 4, line 34, reinstate everything after the stricken "proceeds"

Page 4, lines 35 and 36, reinstate the stricken language

Page 5, line 1, reinstate everything before the stricken "half" and after the stricken "half" insert "*two-thirds*" and reinstate the stricken "of net"

Page 5, line 2, reinstate the stricken "proceeds shall be"

Page 5, line 3, before "and" insert "*the forfeiture proceeding*"

Page 5, line 15, delete "1983" and insert "1984"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1285, A bill for an act relating to crimes; providing for forfeitures of conveyances, containers, weapons used, and contraband property when utilized in the commission of designated offenses; proposing new law coded in Minnesota Statutes, chapter 609.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [609.531] [FORFEITURES.]

*Subdivision 1. [DEFINITIONS.] For the purpose of this section, the following terms have the meanings given them.*

(a) *"Conveyance device" means a device used for transportation in connection with a designated offense and includes, but is not limited to, motor vehicles, trailers, snowmobiles, airplanes, and vessels. The term "conveyance device" does not include property which is, in fact, itself stolen or taken in violation of the law.*

(b) *"Primary container" means a fundamental receptacle other than a conveyance device used to store or transport property.*

(c) *"Weapon used" means weapons used in the furtherance of a crime and defined as a dangerous weapon under section 609.02, subdivision 6.*

(d) *"Property" means property as defined in section 609.52, subdivision 1, clause (1).*

(e) *"Contraband property" means property which is illegal to possess under Minnesota law.*

(f) *"Appropriate agency" means either the bureau of criminal apprehension, Minnesota state patrol, county sheriffs and their deputies, or city police departments.*

(g) *"Designated offense" includes:*

(1) *For weapons used: any violation of chapter 609;*

(2) *For all other purposes: violation of, or an attempt or conspiracy to violate, sections 609.185; 609.19; 609.195; 609.21; 609.221; 609.222; 609.223; 609.2231; 609.24; 609.245; 609.25; 609.255; 609.322, subdivision 1 or 2; 609.342; 609.343; 609.344;*



609.345; 609.42; 609.425; 609.466; 609.485; 609.487; 609.52; 609.521; 609.525; 609.53; 609.54; 609.551; 609.561; 609.562; 609.563; 609.582; 609.59; 609.595; 609.637; 609.825; 609.86; 609.88; 609.89; or 617.246, when the violation constitutes a felony.

**Subd. 2. [FORFEITURES OF CONVEYANCE DEVICES; PRIMARY CONTAINERS; WEAPONS USED, AND CONTRABAND PROPERTY.]** *Conveyance devices, primary containers, and weapons associated with the commission or utilized in the commission of a designated offense, and all contraband property shall be subject to forfeiture with the following limitations:*

(a) *No conveyance device or primary container 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 or container is a consenting party or privy to commission of a designated offense.*

(b) *No conveyance device, primary container, or weapon used is subject to forfeiture under this section unless the owner of it is privy to a violation of a designated offense or unless the use of the conveyance device, primary container, or weapon in a violation occurred with his knowledge or consent.*

(c) *A forfeiture of a conveyance device, primary container, or weapon used 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.*

**Subd. 3. [SEIZURE WITH PROCESS.]** *Any conveyance device, primary container, weapon used, or contraband property subject to forfeiture under this section may be seized by the appropriate agency upon process issued by any court having jurisdiction over the property.*

**Subd. 4. [SEIZURE WITHOUT PROCESS.]** *Seizure without process of a weapon used or of contraband property may be made if:*

(a) *the seizure is incident to an arrest or a search under a search warrant;*

(b) *The weapon subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding;*

(c) *the appropriate agency has probable cause to believe:*

(1) that the weapon was used or is intended to be used in commission of a designated offense; and

(2) that the delay occasioned by the necessity to obtain process would result in the removal, destruction, illegal use, or intended illegal use of the weapon; or

(d) the property is contraband property.

*Subd. 5. [NOT SUBJECT TO REPLEVIN.] Any conveyance device, primary container, weapon used, or contraband property taken or detained under this section shall not be subject to replevin, but is deemed to be in the custody of the appropriate agency subject only to the orders and decrees of the court having jurisdiction over the forfeiture proceedings. When any conveyance device, primary container, weapon used, or contraband property is seized under this section, the appropriate agency may:*

(a) place the conveyance device, primary container, weapon used, or contraband property under seal; or

(b) remove the conveyance device, primary container, weapon used, or contraband property to a place designated by it.

*Subd. 6. [FORFEITURE PROCEDURES.] Any conveyance device, primary container, weapon used, or contraband property shall be forfeited according to the following procedure:*

(a) a separate complaint shall be filed against the conveyance device, primary container, weapon used, or contraband property describing it, and either specifying that it is contraband property, or charging its use in the specified violation, and specifying the time and place of its unlawful use;

(b) if the person charged with a designated offense is not convicted of an offense, the court shall dismiss the complaint against the conveyance device, primary container, or weapon used pursuant to subdivisions 2 to 5 and order the property returned to the persons legally entitled to it;

(c) if after conviction of a felony offense the court finds that the conveyance device, primary container or weapon was used in commission of a designated offense, it may order that the conveyance device, primary container or weapon be sold, used, converted, or disposed of by the appropriate agency in the following manner:

(1) if the lawful owner of the conveyance device, primary container, or weapon used can be determined and it is found the owner was not privy to violation of a designated offense, the

*conveyance device, primary container, or weapon used will be returned forthwith; or*

*(2) if the lawful ownership of the conveyance device, primary container, or weapon used cannot be determined, the appropriate agency or prosecuting agency may:*

*(i) retain the conveyance device, primary container, weapon used, or contraband property for official use; or*

*(ii) the conveyance device, primary container, or weapon used may be sold in accordance with law. One-third of the proceeds from the sale, after payment of seizure, storage, sale expenses, and satisfaction of valid liens against the property, shall be forwarded to the prosecuting agency that prosecuted the offense involved in the forfeiture and handled the forfeiture proceedings for deposit in its operating fund, or similar fund; one-third of the proceeds shall be forwarded to the commissioner of public safety for disbursement pursuant to section 299C.065, and one-third of the proceeds shall be retained by the appropriate agency and deposited in its operating fund;*

*(d) if the property is deemed to be contraband, the property shall be destroyed or used by the appropriate agency for law enforcement purposes.*

## Sec. 2. [EFFECTIVE DATE.]

*Section 1 is effective August 1, 1984, and applies to crimes committed on or after that date."*

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1400, A bill for an act relating to highway traffic regulations; providing for criminal penalties upon refusal by a driver suspected of driving under the influence of alcohol or a controlled substance to take a chemical test; authorizing chemical testing of a suspect who is unconscious or in a condition rendering the suspect incapable of refusal; amending Minnesota Statutes 1982, section 169.123, subdivisions 2, as amended; 5a; 6, as amended; and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, 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;  
*or*
- (e) *When the person's alcohol concentration as measured within two hours of the time of driving 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.

Sec. 2. Minnesota Statutes 1983 Supplement, section 169.121, subdivision 1a, is amended to read:

Subd. 1a. [ARREST.] (WHEN AN ACCIDENT HAS OCCURRED,) A peace officer may lawfully arrest a person for violation of subdivision 1 without a warrant upon probable cause, without regard to whether the violation was committed in the officer's presence.

When a peace officer has probable cause to believe that a person is driving or operating a motor vehicle in violation of subdivision 1, and before a stop or arrest can be made the person escapes from the geographical limits of the officer's jurisdiction, the officer in fresh pursuit of the person may stop or arrest the person in another jurisdiction within this state and may exercise the powers and perform the duties of a peace officer under sections 169.121 and 169.123. An officer acting in fresh pursuit pursuant to this subdivision is serving in his regular line of duty as fully as though he was within his jurisdiction.

The express grant of arrest powers in this subdivision does not limit the arrest powers of peace officers pursuant to sections 626.65 to 626.70 or section 629.40 in cases of arrests for violation of subdivision 1 or any other provision of law.

Sec. 3. Minnesota Statutes 1983 Supplement, 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 of it (**(, 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 refusal to take a test is admissible into evidence in a prosecution under this section or an ordinance in conformity with it.

(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.) *If proven by a preponderance of the evidence, it shall be an affirmative defense to a violation of subdivision 1, clause (e) that the defendant consumed a sufficient quantity of alcohol after the time of actual driving, operating, or physical control of a motor vehicle and before the administration of the evidentiary test to cause the defendant's alcohol concentration to exceed 0.10. Provided, that this evidence may not be admitted unless notice is given to the prosecution prior to the omnibus or pretrial hearing in the matter.*

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 1983 Supplement, section 169.121, subdivision 3, is amended to read:

Subd. 3. [CRIMINAL PENALTIES.] A person who violates this section or an ordinance in conformity with it is guilty of a misdemeanor.

The following persons are guilty of a gross misdemeanor:

(a) A person who violates this section or an ordinance in conformity with it within five years of a prior conviction under this section, section 169.129, (OR) an ordinance *in conformity with either of them*, or a statute or ordinance from another state in conformity with (IT) *either of them*; and

(b) A person who violates this section or an ordinance in conformity with it within ten years of two or more prior convictions under this section, section 169.129, (OR) an ordinance *in conformity with either of them*, or a statute or ordinance from another state in conformity with (IT) *either of them*.

The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this section.

Sec. 5. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2, is amended to read:

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) *cause* 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 with it; 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. No action may be taken against the person for declining to take a direct blood test, if offered, unless an alternative test was offered.

(b) At the time a chemical test specimen is (REQUESTED) *required*, the person shall be informed (:)

((1) THAT IF TESTING IS REFUSED, THE PERSON'S RIGHT TO DRIVE WILL BE REVOKED FOR A MINIMUM PERIOD OF SIX MONTHS;)

((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 MINIMUM PERIOD OF 90 DAYS;)

((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;)

((4) that after submitting to testing, the person has the right to have additional tests made by a person of his own choosing ( ; AND)

((5) THAT IF HE REFUSES TO TAKE A TEST, THE REFUSAL WILL BE OFFERED INTO EVIDENCE AGAINST HIM AT TRIAL).

*If a person requests the opportunity to consult with an attorney prior to the test, the peace officer shall grant the request unless the consultation would delay unreasonably the administration of the test.*

Sec. 6. Minnesota Statutes 1982, section 169.123, subdivision 4, is amended to read:

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. *A refusal to submit to an alcohol concentration test does not constitute a violation of section 609.50, unless the refusal was accompanied by force or violence or the threat of force or violence.* 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) cause 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) *one year*. Upon certification by the peace officer that there existed (REASONABLE AND) probable (GROUNDS) *cause* 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.

Sec. 7. Minnesota Statutes 1982, section 169.123, subdivision 5a, is amended to read:

Subd. 5a. [PEACE OFFICER AGENT FOR NOTICE OF REVOCATION.] On behalf of the commissioner of public safety a peace officer (OFFERING) *requiring* a chemical test or directing the administration of a chemical test 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 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.

Sec. 8. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 6, is amended to read:

Subd. 6. [HEARING.] A hearing under this section shall be before a municipal or county judge, in any county in the judicial district where the alleged offense occurred. 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 shall appear and be represented by the attorney general or through the prosecuting authority for the jurisdiction involved.

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 be limited to the issues of:

(1) whether the peace officer had (REASONABLE AND) probable (GROUNDS) *cause* 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 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.

Sec. 9. Minnesota Statutes 1983 Supplement, section 609.21, subdivision 1, is amended to read:

Subdivision 1. [RESULTING IN DEATH.] (WHOEVER, AS A RESULT OF OPERATING A VEHICLE AS DEFINED IN SECTION 169.01, SUBDIVISION 2, OR AN AIRCRAFT

OR WATERCRAFT, IN A GROSSLY NEGLIGENT MANNER, OR IN A NEGLIGENT MANNER WHILE UNDER THE INFLUENCE OF ALCOHOL OR A CONTROLLED SUBSTANCE AS DEFINED IN SECTION 169.121, SUBDIVISION 1, CAUSES THE DEATH OF A HUMAN BEING NOT CONSTITUTING MURDER OR MANSLAUGHTER IS GUILTY OF CRIMINAL VEHICULAR OPERATION RESULTING IN DEATH 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.) *Whoever causes the death of a human being not constituting murder or manslaughter as a result of operating a vehicle as defined in section 169.01, subdivision 2, or an aircraft or watercraft,*

(1) *in a grossly negligent manner;*

(2) *in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements;*  
or

(3) *in a negligent manner while having an alcohol concentration of 0.10 or more, is guilty of criminal vehicular operation resulting in death 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. 10. Minnesota Statutes 1983 Supplement, section 609.21, subdivision 2, is amended to read:

Subd. 2. [RESULTING IN INJURY.] (WHOEVER, AS A RESULT OF OPERATING A VEHICLE DEFINED IN SECTION 169.01, SUBDIVISION 2, OR AN AIRCRAFT OR WATERCRAFT, IN A GROSSLY NEGLIGENT MANNER, OR IN A NEGLIGENT MANNER WHILE UNDER THE INFLUENCE OF ALCOHOL OR A CONTROLLED SUBSTANCE AS DEFINED IN SECTION 169.121, SUBDIVISION 1, CAUSES GREAT BODILY HARM TO ANOTHER, AS DEFINED IN SECTION 609.02, SUBDIVISION 8, NOT CONSTITUTING ATTEMPTED MURDER OR ASSAULT IS GUILTY OF CRIMINAL VEHICULAR OPERATION RESULTING IN INJURY AND MAY BE SENTENCED TO IMPRISONMENT FOR NOT MORE THAN THREE YEARS OR THE PAYMENT OF A FINE OF NOT MORE THAN \$3,000 OR BOTH.) *Whoever causes great bodily harm to another, as defined in section 609.02, subdivision 8, not constituting attempted murder or assault as a result of operating a vehicle defined in section 169.01, subdivision 2, or an aircraft or watercraft,*

(1) *in a grossly negligent manner;*

(2) *in a negligent manner while under the influence of alcohol, a controlled substance, or any combination of those elements; or*

(3) *in a negligent manner while having an alcohol concentration of 0.10 or more, is guilty of criminal vehicular operation resulting in injury and may be sentenced to imprisonment for not more than three years or the payment of a fine of not more than \$3,000, or both.*

Sec. 11. Minnesota Statutes 1982, section 169.13, subdivision 3, is amended to read:

Subd. 3. [APPLICATION.] The provisions of this section apply, but are not limited in application, to any person who drives any vehicle in the manner prohibited by this section;

(1) *upon the ice of any lake, stream, or river, including but not limited to the ice of any boundary water; or*

(2) *in a parking lot ordinarily used by or available to the public though not as a matter of right, and a driveway connecting such a parking lot with a street or highway.*

Sec. 12. [EFFECTIVE DATE.]

*Sections 1 to 11 are effective August 1, 1984 and apply to offenses committed on or after that date."*

Delete the title and insert:

"A bill for an act relating to highway traffic regulations; prohibiting the operation of a motor vehicle by a person having an alcohol concentration of 0.10 or more as measured within two hours of driving; providing a defense; providing for mandatory testing of a driver suspected of driving under the influence of alcohol; providing for revocation of driver's license for one year upon refusal to submit to a test for alcohol; clarifying certain penalties; providing that prohibitions against careless and reckless driving apply in certain parking lots and driveways; amending Minnesota Statutes 1982, section 169.123, subdivisions 4 and 5a; 169.13, subdivision 3; and Minnesota Statutes 1983 Supplement, sections 169.121, subdivisions 1, 1a, 2, and 3; 169.123, subdivisions 2 and 6; and 609.21, subdivisions 1 and 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1547, A bill for an act relating to resident aliens; clarifying the rights and responsibilities of resident aliens with respect to the distribution of economic benefits, militia enlistment, and veterans affairs; amending Minnesota Statutes 1982, sections 43A.11, subdivision 1; 60A.19, subdivision 7; 64A.10, subdivision 1; 85.018, subdivision 6; 98.45, subdivision 4; 98.47, subdivisions 8 and 15; 137.10; 147.25; 181.59; 184.26, subdivision 3; 190.06, subdivision 3; 197.03; 197.05; 197.447; 197.63, subdivision 1; 198.01; 256E.08, subdivision 10; 340.02, subdivision 8; 340.13, subdivision 12; 340.403, subdivision 3; 359.01; 360.015, subdivision 9; 395.14; 462.525, subdivision 10; 617.34; and 617.35; and Minnesota Statutes 1983 Supplement, section 51A.03, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 4, after the stricken "citizens" insert "*residents*" and reinstate "of this state,"

Page 2, lines 7 to 10, delete the new language

Page 2, line 32, reinstate everything after the stricken "and"

Page 2, line 33, after the stricken "citizens" insert "*residents*" and reinstate "of this state,"

Page 3, line 1, delete the new language

Page 3, delete lines 2 to 4

Page 3, line 5, delete everything before the period

Page 4, line 7, strike "citizen of the United States"

Page 4, lines 7 to 9, delete the new language and insert "*resident, as defined in section 97.40, subdivision 21,*"

Page 7, line 16, strike "MAY ENLIST" and delete "FEMALES" and insert "NONCOMBATANT SERVICE"

Page 7, line 17, strike "female"

Page 7, lines 18 and 19, delete "*able-bodied resident females*" and insert "*residents of the state*"

Page 7, line 23, strike "male"

Page 14, line 5, strike "any"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1554, A bill for an act relating to marriage dissolution; providing for determination and modification of child support; changing laws relating to docketing of judgments for support and maintenance; providing for withholding of support and maintenance from retirement and annuity benefits; providing for the vacating of liens of certain judgments; amending Minnesota Statutes 1982, sections 257.66, by adding a subdivision; 353.15; 354.10; 518.55; 548.13; and 548.17; and Minnesota Statutes 1983 Supplement, sections 256.87, by adding a subdivision; 352.15, subdivision 1; 352B.071; 354A.11; 518.17, subdivision 5; 518.551, subdivisions 5 and 9; 518.611, subdivision 3; 518C.17, subdivision 1; and 548.09, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 548.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 256.87, is amended by adding a subdivision to read:

*Subd. 6. [NOTICE OF DOCKETING JUDGMENT.] Any order for support or maintenance issued under this section shall provide for a conspicuous notice that, if the obligor fails to make the support or maintenance payments, the public agency responsible for support or maintenance enforcement may obtain docketing of a judgment for the unpaid amounts under the provisions of section 16. The notice shall enumerate the conditions that must be met before the judgment can be docketed.*

Sec. 2. Minnesota Statutes 1982, section 257.66, is amended by adding a subdivision to read:

*Subd. 5. [NOTICE OF DOCKETING JUDGMENT.] Any order for support or maintenance issued under this section shall provide for a conspicuous notice that, if the obligor fails to make the support payments, the obligee or a public agency responsible for support enforcement may obtain docketing of a judgment for the unpaid amounts under the provisions of section 16. The notice shall enumerate the conditions that must be met before the judgment can be docketed.*

Sec. 3. Minnesota Statutes 1983 Supplement, section 352.15, subdivision 1, is amended to read:

Subdivision 1. None of the moneys, annuities, or other benefits mentioned herein shall be assignable either in law or in equity or be subject to execution, levy, attachment, garnishment, or other legal process, (INCLUDING ACTIONS FOR DISSOLUTION, LEGAL SEPARATION, OR CHILD SUPPORT,) or to any state estate tax. Provided, however, the executive director may pay an annuity, benefit or refund to a banking institution, qualified under chapter 48, that is trustee for a person eligible to receive such annuity, benefit or refund. Upon the request of a retired, disabled or former employee, the executive director may mail the annuity, benefit or refund check to a banking institution, savings association or credit union for deposit to such employee's account or joint account with his spouse. The board of directors may prescribe the conditions under which such payments will be made.

Sec. 4. Minnesota Statutes 1983 Supplement, section 352B.071, is amended to read:

**352B.071 [EXEMPTION FROM PROCESS.]**

None of the moneys, annuities, or other benefits provided for in this chapter shall be assignable either in law or in equity or be subject to execution, levy, attachment, garnishment, or other legal process (, INCLUDING ACTIONS FOR DISSOLUTION, LEGAL SEPARATION, OR CHILD SUPPORT).

Sec. 5. Minnesota Statutes 1982, section 353.15, is amended to read:

**353.15 [NONASSIGNABILITY AND EXEMPTION OF ANNUITIES AND BENEFITS FROM JUDICIAL PROCESS.]**

No money, annuity, or benefit provided for in this chapter is assignable or subject to execution, levy, attachment, garnishment, or legal process, (INCLUDING ACTIONS FOR DIVORCE, LEGAL SEPARATION, AND CHILD SUPPORT,) or to any state estate tax. Provided, however, the association may pay an annuity, benefit or refund to a trust company, qualified under chapter 48, that is trustee for a person eligible to receive such annuity, benefit or refund. Upon the request of a retired, disabled or former member, the association may mail the annuity, benefit or refund check to a banking institution, savings association or credit union for deposit to such person's account or joint account with his spouse. The association may prescribe the conditions under which such payment will be made. If in the judgment of the executive director conditions so warrant, payment may be made to a public body in behalf of an annuitant, disabilitant, or survivor upon such terms as the executive director may prescribe.

Sec. 6. Minnesota Statutes 1982, section 354.10, is amended to read:

**354.10 [FUND NOT SUBJECT TO ASSIGNMENT OR PROCESS; BENEFICIARIES.]**

The right of a teacher to avail himself of the benefits provided by this chapter, is a personal right only and shall not be assignable. All moneys to the credit of a teacher's account in the fund or any moneys payable to him from the fund shall belong to the state of Minnesota until actually paid to the teacher or his beneficiary pursuant to the provisions of this chapter. Any power of attorney, assignment or attempted assignment of a teacher's interest in the fund, or of the beneficiary's interest therein, by a teacher or his beneficiary, (INCLUDING ACTIONS FOR DIVORCE, LEGAL SEPARATION, AND CHILD SUPPORT,) shall be null and void and the same shall be exempt from garnishment or levy under attachment or execution and from taxation under chapter 291. Provided however, the board may pay an annuity or benefit to a banking institution, qualified under chapter 48, that is a trustee for a person eligible to receive such annuity or benefit. Upon completion of the proper forms as provided by the board, the annuity or benefit check may be mailed to a banking institution, savings association or credit union for deposit to the recipient's individual account or joint account with his or her spouse. The board shall prescribe the conditions which shall govern these procedures. If in the judgment of the executive director conditions so warrant, payment may be made to a public body in behalf of an annuitant, disablitant, or survivor upon such terms as the executive director may prescribe. Any beneficiary designated by a teacher under the terms of this chapter, may be changed or revoked by the teacher at his pleasure, in such manner as the board may prescribe. In case a designated beneficiary dies before the teacher designating him dies, and a new beneficiary is not designated, the teacher's estate shall be the beneficiary.

Sec. 7. Minnesota Statutes 1983 Supplement, 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) a court and (EVERY) other legal process (WHATSOEVER INCLUDING, BUT NOT LIMITED TO,

PROCESS TO COLLECT COURT AWARDS RELATING TO MARRIAGE DISSOLUTION, LEGAL SEPARATION, AND CHILD SUPPORT), and shall not be subject to the estate tax provisions of this state. This section does not make the moneys nonmarital property.

Sec. 8. Minnesota Statutes 1983 Supplement, section 518.17, subdivision 5, is amended to read:

Subd. 5. [DEVIATION FROM GUIDELINES.] The court shall not order the noncustodial parent to pay support in an amount *above or below* the appropriate amount determined from the guidelines in section 518.551, subdivision 5 for use in public assistance cases (UNLESS THE COURT MAKES) *without first considering the factors in subdivision 4 of this section and without making* express findings of fact as to the reason for the *higher or lower order. An order for support in an amount above or below the guidelines must include findings of fact regarding the financial resources and needs of the child.*

Sec. 9. Minnesota Statutes 1982, section 518.175, subdivision 3, is amended to read:

Subd. 3. The custodial parent shall not move the residence of the child to another state except upon order of the court or with the consent of the noncustodial parent, when the noncustodial parent has been given visitation rights by the decree. If the purpose of the move is to interfere with visitation rights given to the noncustodial parent by the decree, the court shall not permit the child's residence to be moved to another state.

*If the custodial parent moves the child's residence to another state and the noncustodial parent is the obligor under an order for child support, the court may modify the order for child support to reduce it annually by an amount equal to the cost of transportation for one visit either by the child to the noncustodial parent's residence or by the noncustodial parent to the child's residence.*

Sec. 10. Minnesota Statutes 1982, section 518.55, is amended to read:

518.55 [MAINTENANCE OR SUPPORT MONEY.]

Subdivision 1. [CONTENTS OF ORDER.] Every award of maintenance or support money in a judgment of dissolution or legal separation shall clearly designate whether the same is maintenance or support money, or what part of the award is maintenance and what part is support money. An award of payments from future income or earnings of the custodial parent is presumed to be maintenance and an award of payments from the future income or earnings of the noncustodial parent is presumed to be support money, unless otherwise designated



by the court. In a judgment of dissolution or legal separation the court may determine, as one of the issues of the case, whether or not either spouse is entitled to an award of maintenance notwithstanding that no award is then made, or it may reserve jurisdiction of the issue of maintenance for determination at a later date.

*Subd. 2. [NOTICE OF DOCKETING JUDGMENT.] Every order for support or maintenance shall provide for a conspicuous notice that, if the obligor fails to make the support or maintenance payments, the obligee or a public agency responsible for maintenance or support enforcement may obtain docketing of a judgment for the unpaid amount under the provisions of section 16. The notice shall enumerate the conditions that must be met before the judgment can be docketed.*

Sec. 11. Minnesota Statutes 1983 Supplement, section 518.-551, subdivision 5, is amended to read:

**Subd. 5. [NOTICE TO PUBLIC AUTHORITY; GUIDELINES.]** The petitioner shall notify the public authority of all proceedings for dissolution, legal separation, determination of parentage or for the custody of a child, if either party is receiving aid to families with dependent children or applies for it subsequent to the commencement of the proceeding. After receipt of the notice, the court shall set child support by multiplying the obligor's net income by the percentage indicated by the following guidelines:

Net Income Per Month of Obligor	Number of Children						
	1	2	3	4	5	6	7 or more
\$400 and Below	Order based on the ability of the obligor to provide support at these income levels, or at higher levels, if the obligor has the earning ability.						
\$401-500	14%	17%	20%	22%	24%	26%	28%
\$501-550	15%	18%	21%	24%	26%	28%	30%
\$551-600	16%	19%	22%	25%	28%	30%	32%
\$601-650	17%	21%	24%	27%	29%	32%	34%
\$651-700	18%	22%	25%	28%	31%	34%	36%
\$701-750	19%	23%	27%	30%	33%	36%	38%
\$751-800	20%	24%	28%	31%	35%	38%	40%

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\$801-850	21%	25%	29%	33%	36%	40%	42%	
\$851-900	22%	27%	31%	34%	38%	41%	44%	
\$901-950	23%	28%	32%	36%	40%	43%	46%	
\$951-1000	24%	29%	34%	38%	41%	45%	48%	
\$1001 and over	25%	30%	35%	39%	43%	47%	50%	

Net Income defined as:

Total monthly  
income less.

- \* (1) Federal Income Tax
- \* (2) State Income Tax
- (3) Social Security Deductions
- (4) Mandatory Pension Deductions
- (5) Union Dues
- (6) *Cost of Dependent Health Insurance Coverage*
- (7) *Cost of Individual Health/Hospitalization Coverage or an Equivalent Amount for Actual Medical (EXPENSE DEDUCTIONS NOT TO EXCEED \$25 A MONTH) Expenses.*

\* Standard Deductions apply—  
use of tax tables recommended

(a) The child support payment guidelines take into consideration the following criteria:

(1) all earnings, income, and resources of the obligor including real and personal property;

(2) the basic living needs of the obligor;

(3) the financial needs of the child or children to be supported; and

(4) the amount of the aid to families with dependent children grant for the child or children.

(b) (DEBTS OWED TO PRIVATE CREDITORS ARE NOT TO BE CONSIDERED) In establishing a support obligation, *the court may consider debts owed to private creditors, but only if:*

(1) *the right to support has not been assigned under section 256.74;*

(2) *the debt was reasonably incurred for necessary support of the child or obligee or for the necessary generation of income. If the debt was incurred for the necessary generation of income, the court shall consider only the amount of debt that is essential to the continuing generation of income;*

(3) *the party requesting a departure produces a sworn schedule of the debts, with supporting documentation, showing goods or services purchased, the recipient of them, the amount of the original debt, the outstanding balance, the monthly payment, and the number of months until the debt will be fully paid; and*

(4) *the court determines that the debt was legitimately incurred for the necessary support of the child or obligee or for the necessary generation of income.*

*The court shall order child support in accordance with the guidelines and any departure therefrom. If there is further departure below the guidelines that is based on a consideration of debts owed to private creditors, the court shall make specific findings as to when the debts will be fully paid. The court shall set a date certain after which the support shall increase automatically to the level ordered by the court. Nothing in this section shall be construed to prohibit one or more step increases in support to reflect debt retirement during the period of departure.*

*Where payment of debt is ordered pursuant to this section, the payment shall be ordered to be in the nature of child support for purposes of enforcement proceedings.*

(c) Previous support orders and maintenance orders may be considered if the obligor is paying them.

(d) Nothing shall preclude the court from receiving evidence on the above factors to determine if the guidelines should be exceeded or modified in a particular case.

(e) The above guidelines are binding in each case unless the court makes express findings of fact as to the reason for depart-

ture (BELOW) from the guidelines in that case in which the court orders support that so deviates from the guidelines. (IT MAY ALSO INCREASE THE AMOUNT OF CHILD SUPPORT BY MORE THAN THE GUIDELINES WITHOUT MAKING EXPRESS FINDINGS BY AGREEMENT OF THE PARTIES OR BY MAKING FURTHER FINDINGS.)

Sec. 12. Minnesota Statutes 1983 Supplement, section 518.551, subdivision 9, is amended to read:

Subd. 9. [ASSIGNMENT OF RIGHTS; JUDGMENT.] The public agency responsible for child support enforcement is joined as a party in each case in which rights are assigned under section 256.74, subdivision 5. When arrearages are reduced to judgment, the court shall grant judgment in favor of, and in the name of, the public agency to the extent that the arrearages are assigned. *After filing notice of an assignment with the clerk of court, who shall enter the notice in the docket, the public agency may enforce a judgment entered before the assignment of rights as if the judgment were granted to it, and in its name, to the extent that the arrearages in that judgment are assigned.*

Sec. 13. Minnesota Statutes 1983 Supplement, section 518.611, subdivision 3, is amended to read:

Subd. 3. [MODIFICATION ORDERS.] An order (MODIFYING THE AMOUNT OF MAINTENANCE OR SUPPORT,) issued after the hearing on the motion to modify *under subdivision 2, paragraph (c) of this section, shall provide that payments be made outright by withholding. The (PROVISIONS) conditions precedent to withholding of subdivision 2 do not apply.*

Sec. 14. Minnesota Statutes 1983 Supplement, section 518C.17, subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE OF ORDER.] If the responding court finds a duty of support, it may order the obligor to furnish support or reimbursement therefor and subject the property of the obligor to the order. Support orders made under sections 518C.01 to 518C.36 shall require that payments be made as the responding court directs and the responding court shall order support payments under chapter 518. *Every order for support shall provide for a conspicuous notice that, if the obligor fails to make the support payments, the obligee or a public agency responsible for support enforcement may obtain docketing of a judgment for the unpaid amounts under the provisions of section 16. The notice shall enumerate the conditions that must be met before the judgment can be docketed.* The court and the prosecuting attorney of a county in which the obligor is present or has property have the same powers and duties to enforce the order as have those of the county in which it was first

issued. If enforcement is impossible, or cannot be completed in the county in which the order was issued, the prosecuting attorney shall send a certified copy of the order to the prosecuting attorney of a county in which it appears that the proceedings to enforce the order would be effective. The prosecuting attorney to whom the certified copy of the order is forwarded shall proceed with enforcement and report the results of the proceedings to the court first issuing the order.

Sec. 15. Minnesota Statutes 1983 Supplement, section 548.09, subdivision 1, is amended to read:

Subdivision 1. [DOCKETING; SURVIVAL OF JUDGMENT.] *Except as provided in section 16, every judgment requiring the payment of money (, INCLUDING A JUDGMENT OR DECREE OF DISSOLUTION OR SEPARATE MAINTENANCE, A DETERMINATION OF PARENTAGE, AN ORDER UNDER THE RECIPROCAL ENFORCEMENT OF SUPPORT ACT, OR AN ORDER UNDER SECTION 256.87, ANY OF WHICH PROVIDE FOR INSTALLMENT OR PERIODIC PAYMENTS OF CHILD SUPPORT, SPOUSAL MAINTENANCE, OR BOTH,) shall be docketed by the clerk upon its entry. Upon a transcript of the docket being filed with the clerk in any other county, the clerk shall also docket it. From the time of docketing the judgment is a lien, in the amount unpaid, upon all real property in the county then or thereafter owned by the judgment debtor. The judgment survives, and the lien continues, for ten years after its entry.*

Sec. 16. [548.091] [SUPPORT AND MAINTENANCE JUDGMENT.]

*Subdivision 1. [DOCKETING OF JUDGMENT.] A judgment for unpaid amounts under a judgment or decree of dissolution or legal separation, determination of parentage, an order under chapter 518C, or an order under section 256.87, any of which provide for installment or periodic payments of child support, maintenance, or both, shall be entered and docketed by the clerk of court only when ordered by the court or when the following conditions are met:*

(a) *The obligee or the public authority determines that the obligor is at least 30 days in arrears;*

(b) *The obligee or public authority serves a copy of an affidavit of default and notice of intent to enter judgment on the obligor by mail at his last known post office address. Service shall be deemed complete upon mailing in the manner designated. The affidavit shall state the full name, occupation, place of residence, and last known post office address of the obligor, the name and post office address of the obligee, the date of the first unpaid amount, the date of the last unpaid amount, and the total amount unpaid;*

(c) *The obligor fails within 20 days after mailing of the notice either to pay all unpaid amounts or to request a hearing on the issue of whether arrears claimed owing have been paid and to seek, ex parte, a stay of entry of judgment; and*

(d) *Not less than 20 days after service on the obligor in the manner provided, the obligee or public authority files with the clerk the affidavit of default together with proof of service and, if payments have been received by the obligee or public authority since execution of the affidavit of default, a supplemental affidavit setting forth the amount of payment received.*

**Subd. 2. [AMOUNT AND SURVIVAL OF JUDGMENT.]** *The clerk of court shall enter and docket judgment in the amount of each affidavit filed under subdivision 1 less any amount paid. From the time of docketing, the judgment is a lien in the amount unpaid upon all the real property in the county then or after owned by the judgment debtor. The judgment survives and the lien continues for ten years after its entry.*

**Subd. 3. [JUDGMENTS DOCKETED PRIOR TO DEFAULT.]** *An obligor whose property is subject to the lien of a judgment for installment of periodic payments of child support, maintenance, or both, under section 548.09, and who claims that no amount of support or maintenance is in arrears, may move the court ex parte for an order directing the clerk to vacate the lien of the judgment on the docket and register of the action where it was entered. The obligor shall file with the motion an affidavit stating that:*

(a) *The lien attached upon the docketing of a judgment or decree of dissolution or separate maintenance, a determination of parentage, an order under the Reciprocal Enforcement of Support Act, or an order under section 256.87;*

(b) *The docketing was made while no installment or periodic payment of child support, maintenance, or both, was unpaid or overdue; and*

(c) *No installment or periodic payment of child support, maintenance, or both, that was due prior to the filing of the motion remains unpaid or overdue.*

*The court shall grant the obligor's motion as soon as possible if the pleadings and affidavit show that there is and has been no default.*

Sec. 17. Minnesota Statutes 1982, section 548.13, is amended to read:

548.13 [ASSIGNMENT OF JUDGMENT; MODE AND EFFECT.]

Every assignment of a judgment shall be in writing, signed and acknowledged by the assignor, (AND) *except that written notice of assignment shall be sufficient in the case of assignment under section 256.74.* No (SUCH) assignment shall be valid as against a subsequent purchaser of the judgment in good faith for value, or against a creditor levying upon or attaching the same, unless it is filed with the clerk and an entry (THEREOF) is made in the docket. When (SO) filed and entered, (NONE) *no one* but the assignee, his agent, or attorney, shall be authorized to collect or enforce (SUCH) *the* judgment; provided, that the lien of an attorney (THEREON) *on the judgment* shall not be affected by the assignment.

Sec. 18. Minnesota Statutes 1982, section 548.17, is amended to read:

548.17 [PAYMENT AND SATISFACTION BY CLERK.]

*Subdivision 1. [JUDGMENTS OTHER THAN FOR SUPPORT AND MAINTENANCE.] Except as provided in subdivision 2,* when a judgment debtor or other person whose property is subject to the lien of a money judgment (SHALL FILE) *files* with the clerk an affidavit that he has made diligent search and inquiry and is unable to find any person having authority to receive payment and give satisfaction of such judgment, he may pay the amount due (THEREON) *on the judgment* to the clerk, who, upon receipt (THEREOF), shall note satisfaction of (SUCH) *the* judgment on the docket and register of the action (WHEREIN) *where* it was entered, and *the clerk shall issue a certificate reciting the payment and satisfaction under his seal to the person paying the (SAME A CERTIFICATE RECITING SUCH PAYMENT AND SATISFACTION) judgment.* The clerk shall at once notify all persons appearing of record to have an interest in (SUCH) *the* judgment, including the attorney of the judgment creditor, of its payment and satisfaction (, AND). Upon demand, *the clerk shall pay (SUCH) the money to the person entitled (THERETO), taking duplicate receipts (THEREFOR), one of which he shall retain, and one which he shall file (THE OTHER) in the case.*

*Subd. 2. [JUDGMENTS FOR SUPPORT AND MAINTENANCE.] When an obligor whose property is subject to the lien of a judgment for installment of periodic payments of child support, maintenance, or both, under section 354.10, files an affidavit with the clerk that the obligee cannot be found or refuses to receive payment and give satisfaction for the amount of each sum docketed, he may pay the amount due on the judgment to the clerk who, upon receipt, shall note satisfaction of the amount due on the docket and register of the action where it was entered, and the clerk shall issue a certificate under his seal to the obligor which recites the payment and satisfaction. The clerk shall at once notify all persons appearing of record to have an interest in the judgment, including the obligee's attorney, of the*

*payment and satisfaction. Upon demand, the clerk shall pay the money to the person entitled, taking duplicate receipts, one which he shall retain, and one which he shall file in the case.*

Sec. 19. [EFFECTIVE DATE.]

*This act is effective the day following final enactment."*

Amend the title as follows:

Page 1, line 10, after the first semicolon insert "518.175, subdivision 3;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1579, A bill for an act relating to public safety; providing immunity from liability for persons who render assistance in dangerous incidents involving compressed gases; proposing new law coded in Minnesota Statutes, chapter 299F.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1983 Supplement, section 604.05, subdivision 2, is amended to read:

Subd. 2. [GENERAL IMMUNITY FROM LIABILITY.] Any person (, INCLUDING A PUBLIC OR PRIVATE NONPROFIT VOLUNTEER FIREFIGHTER, VOLUNTEER POLICE OFFICER, VOLUNTEER AMBULANCE ATTENDANT, AND VOLUNTEER FIRST PROVIDER OF EMERGENCY MEDICAL SERVICES,) who, without compensation or the expectation of compensation renders emergency care, *advice, or assistance* at the scene of an emergency or during transit to a location where professional medical care can be rendered, is not liable for any civil damages as a result of acts or omissions by that person in rendering the emergency care, *advice, or assistance* unless that person acts in a willful and wanton or reckless manner in providing the care, *advice, or assistance*. Any person rendering emergency care, *advice, or assistance* during the course of regular employment, and receiving compensation or expecting to receive compensation for rendering such care, *advice, or assistance*, shall be excluded from the protection of this section.



For the purposes of this section, the scene of an emergency shall be those areas not within the confines of a hospital or other institution which has hospital facilities, or an office of a person licensed to practice one or more of the healing arts pursuant to chapters 147, 148, 150A, or 153. *The scene of an emergency includes areas threatened by or exposed to spillage, seepage, fire, explosion, or other release of hazardous materials.*

*For the purposes of this section, "person" includes a public or private nonprofit volunteer firefighter, volunteer police officer, volunteer ambulance attendant, volunteer first provider of emergency medical services, and any partnership, corporation, association, or other entity.*

For the purposes of this section, compensation does not include nominal payments, reimbursement for expenses, or pension benefits."

Amend the title as follows:

Page 1, line 4, delete "compressed gases" and insert "hazardous materials"

Page 1, delete lines 5 and 6 and insert "amending Minnesota Statutes 1983 Supplement, section 604.05, subdivision 2."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1638, A bill for an act relating to highway traffic regulations; providing for breath tests to be administered using the Intoxilizer 5000 for the purpose of determining the presence of alcohol or a controlled substance; authorizing the results of Intoxilizer 5000 breath tests to be admissible into evidence in civil and criminal hearings; authorizing the admission into evidence of certain weight record documents; amending Minnesota Statutes 1982, sections 169.121, subdivision 6; 169.123, subdivisions 4, 5a, and by adding a subdivision; 169.851, subdivision 4; Minnesota Statutes 1983 Supplement, sections 169.121, subdivision 2; 169.123, subdivisions 2 and 3; proposing new law coded in Minnesota Statutes, chapter 634.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 169.01, is amended by adding a subdivision to read:

*Subd. 67. [INFRARED BREATH-TESTING INSTRUMENT.] "Infrared breath-testing instrument" means a breath-testing instrument that employs infrared technology and has been approved by the commissioner of public safety for determining alcohol concentration.*

Sec. 2. Minnesota Statutes 1983 Supplement, 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) an analysis of (IT) *those items*, 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 refusal to take a test is admissible into evidence in a prosecution under this section or an ordinance in conformity with it.

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 *and results obtained from partial tests on an infrared breath-testing instrument. A result from a partial test is the measurement obtained by analyzing one adequate breath sample, as defined in section 5, paragraph (b).*

Sec. 3. Minnesota Statutes 1982, 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, 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 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. 4. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2, is amended to read:

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 with it; 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. No action may be taken against the person for declining to take a direct blood test, if offered, unless an alternative test was 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 minimum period of six months;

(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 minimum period of 90 days;

(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;

(4) that after submitting to testing, the person has the right to have additional tests made by a person of his own choosing; and

(5) that if he refuses to take a test, the refusal will be offered into evidence against him at trial.

Sec. 5. Minnesota Statutes 1982, section 169.123, is amended by adding a subdivision to read:

*Subd. 2b. [BREATH TEST USING AN INFRARED BREATH-TESTING INSTRUMENT.] (a) In the case of a breath test administered using an infrared breath-testing instrument, the test shall consist of analyses in the following sequence: one adequate breath sample analysis, one calibration standard analysis, and a second, adequate breath sample analysis.*

*(b) In the case of a test administered using an infrared breath-testing instrument, a sample is adequate if the instrument analyzes the sample and does not indicate the sample is deficient.*

*(c) For purposes of this section, when a test is administered using an infrared breath-testing instrument, failure of a person to provide two separate, adequate breath samples in the proper sequence constitutes a refusal.*

Sec. 6. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 3, is amended to read:

**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) sample. 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; pro-

vided, that the additional test (SPECIMEN) *sample* 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. 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 breath test shall be fully trained in the administration of breath tests pursuant to training given by the commissioner of public safety.

Sec. 7. Minnesota Statutes 1982, section 169.123, subdivision 4, is amended to read:

Subd. 4. [REFUSAL, CONSENT TO PERMIT TEST; REVOCATION OF LICENSE.] If a person refuses to permit (CHEMICAL TESTING) *a test*, 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) *a test* 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) *a test*, 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) *a test* 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.

Sec. 8. Minnesota Statutes 1982, section 169.123, subdivision 5a, is amended to read:

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 shall serve immediate notice of intention to revoke and of revocation on a person who refuses to permit (CHEMICAL TESTING) a test 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 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.

Sec. 9. [634.16] [ADMISSION INTO EVIDENCE OF RESULTS OF INFRARED BREATH-TESTS.]

*In any civil or criminal hearing or trial, the results of an infrared breath-test, when performed by a person who has been fully trained in the use of an infrared breath-testing instrument, as defined in section 1, pursuant to training given or approved by the commissioner of public safety or his acting agent, are admissible in evidence without antecedent expert testimony that an infrared breath-testing instrument provides a trustworthy and reliable measure of the alcohol in the breath.*

Sec. 10. [EFFECTIVE DATE.]

*Sections 1 to 9 are effective the day following final enactment and apply to trials or hearings commenced on or after that date."*

Delete the title and insert:

"A bill for an act relating to highway traffic regulations; providing for breath tests to be administered using an infrared breath-testing instrument for purposes of determining the presence of alcohol or a controlled substance; authorizing the results of infrared breath tests to be admissible into evidence in civil and criminal proceedings; amending Minnesota Statutes 1982, sections 169.01, by adding a subdivision; 169.121, subdivision 6; 169.123, subdivisions 4, 5a, and by adding a subdivision; Minnesota Statutes 1983 Supplement, sections 169.121, sub-

division 2; 169.123, subdivisions 2 and 3; proposing new law coded in Minnesota Statutes, chapter 634."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1665, A bill for an act relating to crimes; traffic regulations; requiring revocation of a person's driver's license until his or her 19th birthday upon violation of a traffic law relating to the possession or consumption of alcohol; amending Minnesota Statutes 1982, sections 169.121, subdivision 4; 169.122, subdivision 4; 169.123, subdivision 4; 171.16, subdivision 5; and 171.17; Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [169.1221] [ALCOHOL VIOLATION BY UNDERAGE DRIVERS; LICENSE REVOCATION.]

*Subdivision 1. [VIOLATION OF OPEN BOTTLE LAW.] Any person under the age of 19 years convicted of violating section 169.122 shall have his or her driver's license or permit to drive revoked by the commissioner of public safety for a period of 90 days.*

*Subd. 2. [POSSESSION IN MOTOR VEHICLE.] Unless a person 19 years of age or older is present in the motor vehicle, any person under the age of 19 years who possesses any unopened or sealed bottle or receptacle containing intoxicating liquors or nonintoxicating malt liquors while in a motor vehicle upon a public highway shall have his or her driver's license or permit to drive revoked by the commissioner of public safety for a period of 60 days.*

*Subd. 3. [SECOND OR SUBSEQUENT OFFENSE.] (a) Any person under the age of 19 convicted of a second or subsequent offense under section 169.122 shall have his or her driver's license or permit to drive revoked by the commissioner of public safety for a period of 180 days.*

*(b) Any person under the age of 19 who violates the provisions of subdivision 2 a second or subsequent time shall have*

*his or her driver's license or permit to drive revoked by the commissioner of public safety for a period of 120 days.*

Sec. 2. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 2, is amended to read:

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 with it; 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. No action may be taken against the person for declining to take a direct blood test, if offered, unless an alternative test was 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 minimum period of six months;

(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 minimum period of 90 days;

(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;

(4) that after submitting to testing, the person has the right to have additional tests made by a person of his own choosing; and

(5) that if he refuses to take a test, the refusal will be offered into evidence against him at trial.

*In addition, a driver who is under the age of 19 shall be informed that if a chemical test is taken and the results indicate*



*an alcohol concentration of 0.05 or more, his or her driver's license or permit to drive shall be revoked for 90 days or for 180 days if this is his or her second or subsequent offense.*

Sec. 3. Minnesota Statutes 1982, section 169.123, subdivision 4, is amended to read:

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. *Except as provided in this subdivision*, 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.

*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, that the person submitted to chemical testing and that the following conditions exist, the commissioner of public safety shall revoke the person's driver's license or permit to drive for a period of 90 days:*

(1) *the person was under the age of 19 years at the time of the testing; and*

(2) *the test results indicate an alcohol concentration of 0.05 or more. Provided, that if a person under the age of 19 years has his or her driver's license or permit to drive revoked a second or subsequent time under this section, the revocation period shall be 180 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.

Sec. 4. Minnesota Statutes 1982, section 169.123, subdivision 5a, is amended to read:

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 shall serve immediate notice of intention to revoke and of revocation: (a) on a person who refuses to permit chemical testing; or (b) on a person who submits to a chemical test the results of which indicate an alcohol concentration of 0.10 or more; or (c) on a person who is under 19 years of age who submits to a chemical test the results of which indicate an alcohol concentration of 0.05 or more. The officer shall take the license or permit of the driver, if any, and issue a temporary license effective only for 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.

Sec. 5. Minnesota Statutes 1983 Supplement, section 169.123, subdivision 6, is amended to read:

Subd. 6. [HEARING.] A hearing under this section shall be before a municipal or county judge, in any county in the judicial district where the alleged offense occurred. 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 shall appear and be represented by the attorney general or through the prosecuting authority for the jurisdiction involved.

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 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 (,); or (c) *whether a test was taken by a person under the age of 19 years and the test results indicate an alcohol concentration of 0.05 or more*; 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 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.

Sec. 6. Minnesota Statutes 1982, section 260.193, subdivision 8, is amended to read:

Subd. 8. If the juvenile court finds that the child is a juvenile major highway or water traffic offender, it may make any one or more of the following dispositions of the case:

(a) Reprimand the child and counsel with the child and his parents;

(b) Continue the case for a reasonable period under such conditions governing the child's use and operation of any motor vehicles or boat as the court may set;

(c) Require the child to attend a driver improvement school if one is available within the county;

(d) Recommend to the department of public safety suspension of the child's driver's license as provided in section 171.16;

*(e) If the child is found to have violated the provisions of section 169.122, or section 1, subdivision 2, if the child has a driver's license or permit to drive, the court shall forward its findings in the case and the child's driver's license or permit to the commissioner of public safety. Upon receipt, the commissioner shall revoke the child's license or permit for a period of 90 days if the child was found to have violated section 169.122, or 60 days if he or she was found to have violated section 1, subdivision 2. Provided, that any child found to have violated section 169.122 a second or subsequent time shall have his or her license or permit revoked for 180 days, and any child found to have violated section 1, subdivision 2 a second or subsequent time shall have his or her license or permit revoked for 120 days.*

(f) If the child is found to have committed two moving highway traffic violations or to have contributed to a highway accident involving death, injury, or physical damage in excess of \$100, the court may recommend to the commissioner of public safety or to the licensing authority of another state the cancellation of the child's license until he reaches the age of 18 years, and the commissioner of public safety is hereby authorized to cancel the license without hearing. At any time before the termination of the period of cancellation, the court may, for good cause, recommend to the commissioner of public safety, or to the licensing authority of another state, that the child's license be returned to him, and the commissioner of public safety is authorized to return the license;

((F)) (g) Place the child under the supervision of a probation officer in his own home under conditions prescribed by the court including reasonable rules relating to his operation and use of motor vehicles or boats directed to the correction of his driving habits;

((G)) (h) Require the child to pay a fine of up to \$500. The court shall order payment of the fine in accordance with a time payment schedule which shall not impose an undue financial hardship on the child.

Sec. 7. Minnesota Statutes 1982, section 260.195, subdivision 3, is amended to read:

Subd. 3. [DISPOSITIONS.] If the juvenile court finds that a child is a juvenile alcohol or controlled substance offender, the court may require the child to:

- (a) Pay a fine of up to \$100;
- (b) Participate in a community service project;
- (c) Participate in a drug awareness program; or
- (d) Order the child to undergo a chemical dependency evaluation and if warranted by this evaluation, order participation by the child in an inpatient or outpatient chemical dependency treatment program; or
- (e) Perform any other activities or participate in any other treatment programs deemed appropriate by the court.

*In all cases where the juvenile court finds that a child has purchased or attempted to purchase an alcoholic beverage in violation of section 340.731, if the child has a driver's license or permit to drive, and if the child used a driver's license or permit to purchase or attempt to purchase the alcoholic beverage, the court shall forward its finding in the case and the child's driver's license or permit to the commissioner of public safety. Upon receipt, the commissioner shall revoke the child's license or permit for a period of 30 days.*

None of the dispositional alternatives described in (THIS SUBDIVISION) clauses (a) to (e) shall be imposed by the court in a manner which would cause an undue hardship upon the child.

Sec. 8. Minnesota Statutes 1982, section 340.035, is amended to read:

340.035 [PERSONS UNDER 19 YEARS; PENALTY.]

Subdivision 1. It is unlawful for any:

(1) Licensee or his employee to permit any person under the age of 19 years to consume (NON-INTOXICATING MALT) intoxicating liquor on the licensed premises (EXCEPT AS PROVIDED IN PARAGRAPH (5);)

((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 POSSESS ANY NON-INTOXICATING MALT LIQUOR, WITH INTENT TO CONSUME IT AT A PLACE OTHER THAN THE HOUSEHOLD OF HIS PARENT OR GUARDIAN).

Subd. 2. A person violating (ANY PROVISION OF) this section is guilty of a misdemeanor.

Sec. 9. Minnesota Statutes 1982, section 340.07, is amended by adding a subdivision to read:

*Subd. 18. "Alcoholic beverage" means any malt liquor containing not less than one-half of one percent alcohol by volume nor more than 3.2 percent alcohol by weight, ethyl alcohol, distilled, fermented, spirituous, vinous, and malt beverages containing in excess of 3.2 percent of alcohol by weight.*

Sec. 10. Minnesota Statutes 1982, section 340.731, is amended to read:

**340.731 [PERSONS UNDER 19 YEARS, FORBIDDEN ACTS OR STATEMENTS.]**

It shall be unlawful for (1) a person under the age of 19 years to enter any premises licensed for the retail sale of alcoholic beverages or any municipal liquor store for the purpose of purchasing, or having served or delivered to him or her, any alcoholic beverage (CONTAINING MORE THAN ONE-HALF OF ONE PERCENT OF ALCOHOL BY VOLUME); or

(2) a person under the age of 19 years to (CONSUME ANY INTOXICATING LIQUOR OR TO) purchase, attempt to purchase or have another purchase for him or her any (INTOXICATING LIQUOR) *alcoholic beverage*; or

(3) any person to misrepresent or misstate his or her age, or the age of any other person for the purpose of inducing any licensee or any employee of any licensee, or any employee of any municipal liquor store, to sell, serve or deliver any alcoholic beverage to a person under the age of 19 years; or

(4) a person under the age of 19 years to have in his or her possession any (INTOXICATING LIQUOR) *alcoholic beverage*, with intent to consume same at a place other than the household of his or her parent or guardian. Possession of (SUCH INTOXICATING LIQUOR) *an alcoholic beverage* at a place other than the household of his or her parent or guardian shall be prima facie evidence of intent to consume the same at a place other than the household of his or her parent or guardian; or

(5) *a person under the age of 19 years to consume any alcoholic beverage unless in the household of his or her parent or guardian and with the consent of his or her parent or guardian.*

Sec. 11. Minnesota Statutes 1982, section 340.732, is amended to read:

#### 340.732 [VIOLATIONS, PENALTIES.]

Any person who (SHALL VIOLATE) *violates* any provision of section 340.731 (SHALL BE DEEMED) *is* guilty of a misdemeanor (AND UPON CONVICTION THEREOF SHALL BE PUNISHED ACCORDINGLY).

*In addition, any person under the age of 19 years who purchases or attempts to purchase an alcoholic beverage in violation of section 340.731 shall have his or her driver's license or permit to drive revoked by the commissioner of public safety for a period of 30 days if the person used a driver's license or permit to purchase or attempt to purchase the alcoholic beverage.*

#### Sec. 12. [EFFECTIVE DATE.]

*Sections 1 to 11 are effective August 1, 1984, and apply to offenses committed on or after that date."*

Delete the title and insert:

"A bill for an act relating to highway traffic regulations; requiring driver's license revocation of any person under the age of 19 who purchases, attempts to purchase, possesses while in a motor vehicle, or drives after drinking alcoholic beverages; amending Minnesota Statutes 1982, sections 169.123, subdivisions 4 and 5a; 260.193, subdivision 8; 260.195, subdivision 3; 340.035; 340.07, by adding a subdivision; 340.731; 340.732; Minnesota Statutes 1983 Supplement, section 169.123, subdivisions 2 and 6; proposing new law coded in Minnesota Statutes, chapter 169."

With the recommendation that when so amended the bill pass.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1806, A bill for an act relating to public welfare; amending the reporting of maltreatment of minors act; clarifying the roles of law enforcement and local welfare agencies; clarifying language; amending Minnesota Statutes 1982, section 626.556, subdivisions 3 and 11; amending Minnesota Statutes 1983 Supplement, section 626.556, subdivisions 1, 2, 4, and 10.

Reported the same back with the following amendments:

Page 3, line 13, delete "or" and insert a comma

Page 5, line 3, after "AGENCY" insert "*AND LOCAL LAW ENFORCEMENT AGENCY*"

Page 5, line 16, after "agency" insert "*and the local law enforcement agency*"

Page 5, line 17, reinstate the stricken language and before "assessing" insert "or"

Page 5, line 24, strike "or" and before the period insert "*, or school official*"

Page 5, line 26, reinstate the stricken "investigation"

Page 5, line 27, before "assessment" insert "or"

Page 5, line 33, after "agency" insert "*or the local law enforcement agency*"

Page 6, line 3, after the period insert "*For interviews conducted by the local welfare agency*"

Page 6, line 4, strike the first comma and insert "and"

Page 6, line 6, before the period insert "*, but the local welfare agency, or the local law enforcement agency shall have the exclusive authority to determine who may attend the interview*"

Page 6, line 11, before the period insert "*or local law enforcement agency. Where the school fails to comply with the provisions of this section, the juvenile court may order the school to comply with this provision*"

Page 6, line 14, reinstate the stricken "investigation" and before "assessment" insert "or"



Page 6, line 24, after "agency" insert "*or the local law enforcement agency*"

Page 7, line 1, strike "and" and insert a comma

Page 7, line 2, after "reports" insert "*, and the local law enforcement agencies*"

Amend the title as follows:

Page 1, line 4, after the semicolon insert "requiring law enforcement agencies to follow certain procedures when interviewing minors on school property;"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1902, A bill for an act relating to real property; allowing service of summons upon dissolved domestic corporations; amending Minnesota Statutes 1982, section 508.16, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1982, section 272.12, is amended to read:

272.12 [CONVEYANCES, TAXES PAID BEFORE RE-  
CORDING.]

When a deed or other instrument conveying land, or a plat of any town site or addition thereto, or a survey required pursuant to section 508.47, is presented to the county auditor for transfer, he shall ascertain from his records if there be taxes delinquent upon the land described therein, or if it has been sold for taxes. If there are taxes delinquent, he shall certify to the same; and upon payment of such taxes, or in case no taxes are delinquent, he shall transfer the land upon the books of his office, and note upon the instrument, over his official signature, the words, "no delinquent taxes and transfer entered," or, if the land described has been sold or assigned to an actual purchaser for taxes, the words "paid by sale of land described within;" and, unless such statement is made upon such instru-

ment, the county recorder or the registrar of titles shall refuse to receive or record the same; provided, that sheriff's or referees' certificates of sale on execution or foreclosure of a lien or mortgage, deeds of distribution made by a personal representative in probate proceedings, decrees and judgments, receivers receipts, patents, and copies of town or statutory city plats, in case the original plat filed in the office of the county recorder has been lost or destroyed, and the instruments releasing, removing and discharging reversionary and forfeiture provisions affecting title to land and instruments releasing, removing or discharging easement rights in land or building or other restrictions, may be recorded without such certificate; and, provided that instruments conveying land and, as appurtenant thereto an easement over adjacent tract or tracts of land, may be recorded without such certificate as to the land covered by such easement; and provided further, that any instrument granting an easement made in favor of any public utility or pipe line for conveying gas, liquids or solids in suspension, in the nature of a right of way over, along, across or under a tract of land may be recorded without such certificate as to the land covered by such easement. *Any instrument amending or restating the declarations, bylaws, or other enabling documents governing homeowners associations of condominiums, townhouses, and other planned unit developments may be recorded without the auditor's certificate.*

A deed of distribution made by a personal representative in a probate proceeding, a decree, or a judgment that conveys land shall be presented to the county auditor, who shall transfer the land upon the books of his office and note upon the instrument, over his official signature, the words, "transfer entered", and the instrument may then be recorded. A decree or judgment that affects title to land but does not convey land may be recorded without presentation to the auditor.

A violation of this section by the county recorder or the registrar of titles shall be a gross misdemeanor, and, in addition to the punishment therefor, he shall be liable to the grantee of any instrument so recorded for the amount of any damages sustained.

When, as a condition to permitting the recording of deed or other instrument affecting the title to real estate previously forfeited to the state under the provisions of sections 281.16 to 281.27, county officials, after such real estate has been purchased or repurchased, have required the payment of taxes erroneously assumed to have accrued against such real estate after forfeiture and before the date of purchase or repurchase, the sum required to be so paid shall be refunded to the persons entitled thereto out of moneys in the funds in which the sum so paid was placed. Delinquent taxes are those taxes deemed delinquent under section 279.02.

Sec. 2. Minnesota Statutes 1982, section 508.16, subdivision 1, is amended to read:

Subdivision 1. The summons shall be subscribed by the clerk, directed to the defendants, and require them to appear and answer the application of the applicant, within 20 days after the service of the summons, exclusive of the day of such service. It shall be served in the manner as provided by law for the service of a summons in civil actions in the district court, except as herein otherwise provided. It shall be served upon the state by delivering a copy thereof to the attorney general, a deputy attorney general or an assistant attorney general who shall transmit the same to the county attorney of the county in which the land described therein is situated, and thereupon such county attorney shall appear in such proceeding, and represent the state therein. *It shall be served upon a domestic corporation governed by chapter 302A whose charter has terminated by dissolution, expiration, or otherwise, by delivering a copy of it to a person, known to the applicant, who held office in the corporation at the time of dissolution and can be found in the state or, if no officer known to the applicant can be found in the state, by publishing the summons in a newspaper printed and published in the county where the application is filed, once each week for three consecutive weeks.* It shall be served upon all persons not personally served who are not residents of the state or who cannot be found therein, and upon domestic corporations *not governed by chapter 302A* whose charter has terminated by dissolution, expiration, or otherwise more than three years prior to the commencement of the action, and upon unknown successors in interests of such corporations, and upon "all other persons or parties unknown claiming any right, title, estate, lien, or interest in the real estate described in the application herein" by publishing the same in a newspaper printed and published in the county wherein the application is filed, once each week for three consecutive weeks; provided, if the order for summons or a supplemental order of the court, filed before, during or after the publication of the summons, shall so direct, the summons may be personally served without the state upon any one or more of the defendants who are nonresidents of the state or who cannot be found therein, in like manner and with like effect as such service in a summons in a civil action in the district court; and provided further, that any nonresident defendant, natural or corporate, who can be found in the state of Minnesota and can be personally served therein, may be served personally. The clerk shall also, at least 20 days before the entry of the decree which shall be entered in the matter, send a copy of the summons by mail to all defendants not served personally who are not residents of the state, and whose place of address is known to applicant or stated in the application, or in the order directing the issuance of the summons. The certificate of the clerk that he has mailed the summons, as herein provided, shall be conclusive evidence thereof. Other or further notice of the application for registration may be given in such manner and to such persons as the court or any judge thereof may direct. The summons shall be served at the ex-

pense of the applicant and proof of the service shall be made in the same manner as in civil actions. The summons shall be substantially in the following form:

SUMMONS IN APPLICATION FOR REGISTRATION OF LAND

State of Minnesota

ss.

County of

District Court Judicial District.

In the matter of the application of (name of applicant) to register the title to the following described real estate situated in county, Minnesota, namely:

(description of land)

Applicant,

vs

(names of defendants) and "all other persons or parties unknown claiming any right, title, estate, lien or interest in the real estate described in the application herein."

Defendants.

THE STATE OF MINNESOTA TO THE ABOVE NAMED DEFENDANTS:

You are hereby summoned and required to answer the application of the applicant in the above entitled proceeding and to file your answer to the said application in the office of the clerk of said court, in said county, within 20 days after service of this summons upon you exclusive of the day of such service, and, if you fail to answer the application within the time aforesaid, the applicant in this proceeding will apply to the court for the relief demanded therein.

Witness clerk of said court, and the seal thereof, at in said county, this day of 19...

(Seal)

Clerk

Sec. 3. Minnesota Statutes 1982, section 519.09, is amended to read:

**519.09 [DOWER AND CURTESY ABOLISHED.]**

All inchoate estates or statutory interests in lieu of dower and curtesy in all lands in this state which have been conveyed prior to January 1, (1960) 1970, by the husband or wife of the one entitled to such inchoate dower or curtesy, or statutory interest, by a conveyance in writing, are hereby abolished.

Sec. 4. Minnesota Statutes 1982, section 519.101, is amended to read:

**519.101 [ACTIONS NOT MAINTAINABLE.]**

No action for the recovery of real property, or of any right therein, or the possession thereof, shall be maintained by any person having any estate in dower or by the curtesy or any estate or statutory interest in lieu of dower or by the curtesy therein, or by anyone claiming, by, through or under any such person, where it appears that the husband or wife of such person conveyed such real property, or any interest therein, by a conveyance in writing, prior to the first day of January, (1960) 1970; and no action shall be maintained for the recovery of real property, or of any right therein, or the possession thereof, by any person claiming by reason of failure of a spouse to join in a conveyance of land which constituted the homestead of the grantor at the time of the conveyance where such conveyance was made prior to January 1, (1960) 1970, unless such action shall be commenced on or prior to the first day of January, (1974) 1985, and notice thereof filed for record at the time of the commencement of said action in the office of the county recorder in the county where said real property is situate.

Sec. 5. Minnesota Statutes 1982, section 566.03, subdivision 1, is amended to read:

Subdivision 1. When any person holds over lands or tenements after a sale thereof on an execution or judgment, or on foreclosure of a mortgage, and expiration of the time for redemption, or after termination of contract to convey the same, *provided that if the person holding such lands or tenements after the sale, foreclosure, or termination is a tenant, he has received at least one month's written notice of the termination of his tenancy as a result of the sale, foreclosure, or termination; or when any person holds over lands or tenements after termination of the time for which they are demised or let to him or to the persons under whom he holds possession, or contrary to the conditions or covenants of the lease or agreement under which he holds, or after any rent becomes due according to the terms of such lease or agreement (,); or when any tenant at will holds over after the determination of any such estate by*

notice to quit, (,); in all such cases, the person entitled to the premises may recover possession thereof in the manner herein-after provided.

Sec. 6. [ABSTRACT OF TITLE; STORAGE WITHIN MINNESOTA.]

*An abstract of title to Minnesota real estate shall be stored within the state of Minnesota. This section does not apply if the holder of the abstract of title is the mortgagor or fee simple owner of the real estate to which the abstract pertains."*

Delete the title and insert:

"A bill for an act relating to real property; providing that certain instruments may be recorded without an auditor's certificate; allowing service of summons upon dissolved domestic corporations; amending provisions related to the abolition of dower and curtesy; clarifying when the right of possession passes after a sale on execution or judgment or mortgage foreclosure; providing for a notice in certain cases; requiring storage of abstracts of title to be stored in Minnesota with certain exceptions; amending Minnesota Statutes 1982, sections 272.12, 508.16, subdivision 1; 519.09; 519.101; and 566.03, subdivision 1."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1935, A bill for an act relating to powers of attorney; providing procedures for granting powers of attorney; construing various specific powers; amending Minnesota Statutes 1982, sections 508.72; 508A.72; proposing new law coded as Minnesota Statutes, chapter 523; repealing Minnesota Statutes 1982, sections 51A.25; 354.10; 507.291; 507.292; 507.293; 507.39; 524.5-502; 524.5-505; and 528.16.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1, Minnesota Statutes 1982, section 508.72, is amended to read:

508.72 [AGENCY; POWER TO BE REGISTERED.]

Any act which may legally be done or performed by any person under this chapter may be done and performed by his agent (THERETO) when duly authorized in writing. (SUCH) The instrument or power of attorney shall be *filed with the registrar and registered by him if it is* executed and acknowledged as (NOW) required by law in the case of a deed (, FILED WITH THE REGISTRAR, AND REGISTERED BY HIM). Any instrument revoking (SUCH) the power of attorney (SHALL) *may be filed and registered if it is* executed (,) and acknowledged (, AND REGISTERED) in (LIKE MANNER) the same way. *A written instrument of revocation of an unregistered power of attorney, executed and acknowledged by a person having a registered interest in land, may be filed for registration as a memorial upon the certificate of title.*

Sec. 2. Minnesota Statutes 1982, section 508A.72, is amended to read:

**508A.72 [AGENCY; POWER TO BE REGISTERED.]**

Any act which may legally be done or performed by any person under sections 508A.01 to 508A.85 may be done and performed by his agent when duly authorized in writing. The instrument or power of attorney shall be *filed with the registrar and registered by him if it is* executed and acknowledged as required by law in the case of a deed (, FILED WITH THE REGISTRAR, AND REGISTERED BY HIM). Any instrument revoking the power of attorney (SHALL) *may be filed and registered if it is* executed (,) and acknowledged (, AND REGISTERED) in (LIKE MANNER) the same way. *A written instrument of revocation of an unregistered power of attorney, executed and acknowledged by a person having a registered interest in land, may be filed for registration as a memorial upon the certificate of title.*

**Sec. 3. [523.01] [AUTHORIZATION.]**

*A person who is a competent adult may, as principal, designate another person or an authorized corporation as the person's attorney-in-fact by a written power of attorney. The power of attorney is validly executed when it is dated and signed by the principal and, in the case of a signature on behalf of the principal, by another, or by a mark, acknowledged by a notary public. Only powers of attorney validly created pursuant to section 3 or 4 are validly executed powers of attorney for the purposes of sections 3 to 27.*

**Sec. 4. [523.02] [COMMON LAW, PRE-EXISTING AND FOREIGN POWERS OF ATTORNEY.]**

*A written power of attorney is a validly executed power of attorney for the purposes of sections 3 to 27, and is subject to the provisions of sections 3 to 27, if it is validly created pursuant to:*

(1) the law of Minnesota as it existed prior to the enactment of sections 3 to 27 if it was executed prior to the effective date of sections 3 to 27; (2) the common law; or (3) the law of another state or country.

**Sec. 5. [523.03] [INTERPRETATION.]**

*Unless the context requires otherwise, all references in sections 3 to 27 to the "principal" include any guardian or conservator of the estate appointed for the principal at any time and all references to a "power of attorney" mean a validly executed power of attorney.*

**Sec. 6. [523.04] [POWER OF ATTORNEY PRESUMED TO BE VALIDLY EXECUTED.]**

*A written power of attorney that is dated and purports to be signed by the principal named in it is presumed to be valid. All parties may rely on this presumption except those who have actual knowledge that the power was not validly executed.*

**Sec. 7. [523.05] [RECORDING OF POWER OF ATTORNEY.]**

*If the exercise of the power of attorney requires execution and delivery of any instrument which is recordable, the power of attorney and any affidavit authorized under sections 3 to 27 when authenticated for record in conformity with section 507.24, are also recordable.*

**Sec. 8. [523.06] [CERTIFICATION OF POWER OF ATTORNEY.]**

*A certified copy of a power of attorney has the same force and effect as a power of attorney bearing the signature of the principal. A copy of a power of attorney may be certified by an official of a state or of a political subdivision of a state who is authorized to make certifications. The certification shall state that the certifying official has examined an original power of attorney and the copy and that the copy is a true and correct copy of the original power of attorney.*

**Sec. 9. [523.07] [DURABLE POWER OF ATTORNEY.]**

*A power of attorney is durable if it contains language such as "This power of attorney shall not be affected by disability of the principal" or "This power of attorney shall become effective upon the disability of the principal," or similar words showing the intent of the principal that the authority conferred is exercisable notwithstanding his later disability or incapacity.*



Sec. 10. [523.08] [TERMINATION OF A DURABLE POWER.]

*A durable power of attorney terminates on the death of the principal or upon the expiration of a period of time specified in the power of attorney if the period ends prior to the death of the principal.*

Sec. 11. [523.09] [TERMINATION OF A NONDURABLE POWER OF ATTORNEY.]

*A nondurable power of attorney terminates on the death of the principal, on the incompetency of the principal, or upon the expiration of a period of time specified in the power of attorney if the period ends prior to the death or incompetency of the principal.*

Sec. 12. [523.10] [MISSING PERSONS PRESUMED LIVING.]

*A missing person is presumed to be living until actual proof of death or legal adjudication of death occurs.*

Sec. 13. [523.11] [REVOCAION OF A POWER.]

*Subdivision 1. [MANNER.] An executed power of attorney may be revoked only by a written instrument of revocation signed by the principal and, in the case of a signature on behalf of the principal by another or a signature by a mark, acknowledged by a notary public. The conservator or guardian of the principal has the same power the principal would have if the principal were not disabled or incompetent to revoke, suspend, or terminate all or any part of the power of attorney.*

*Subd. 2. [EFFECT.] Revocation of an executed power of attorney is not effective as to any party unless that party has actual notice of the revocation. As used in this chapter, "actual notice of revocation" means that a written instrument of revocation has been received by the party or, in a real property transaction, that a written instrument of revocation containing the legal description of the real property has been recorded in the office of the county recorder or filed in the office of the registrar of titles. Recorded or filed revocation is actual notice of revocation of a power of attorney only as to any interest in real property described in the revocation and located in the county where it is recorded.*

*Subd. 3. [PRESUMPTIONS.] A written instrument of revocation that purports to be signed by the principal named in the power of attorney is presumed to be valid. Any party receiving*

*the written instrument of revocation may rely on this presumption and is not liable for later refusing to accept the authority of the attorney-in-fact.*

**Subd. 4. [TRANSFEREE AFFIDAVIT OF NONREVOCA-  
TION.]** *In the case of a conveyance of an interest in property, an affidavit signed by an initial transferee of the interest of the principal stating that the initial transferee had not received, at the time of the conveyance, a written instrument of revocation of the power of attorney, constitutes conclusive proof as to all subsequent transferees that no written instrument of revocation was received by the initial transferee, except as to a subsequent transferee who commits an intentional fraud.*

**Sec. 14. [523.12] [POWER OF ATTORNEY-IN-FACT TO  
BIND PRINCIPAL.]**

*Any action taken by the attorney-in-fact pursuant to the power of attorney binds the principal, the principal's heirs and assigns, and the representative of the estate of the principal in the same manner as though the action was taken by the principal, and, during any time while a guardian or conservator has been appointed for the principal and only the guardian or conservator has the power to take relevant action, as though the action was taken by the guardian or conservator.*

**Sec. 15. [523.13] [MULTIPLE ATTORNEYS-IN-FACT.]**

*Unless it is provided to the contrary in a power of attorney which authorizes two or more attorneys-in-fact to act on behalf of a principal, any action taken by any one of the several attorneys-in-fact pursuant to the power of attorney, whether the other attorneys-in-fact consent or object to the action, binds the principal, the principal's heirs and assigns, and the representative of the estate of the principal in the same manner as though the action was taken by the principal, and, during any time while a guardian or conservator has been appointed for the principal and only the guardian or conservator has the power to take the relevant action, as though the action was taken by the guardian or conservator.*

**Sec. 16. [523.14] [SUCCESSOR ATTORNEY-IN-FACT  
NOT LIABLE FOR ACTS OF PREDECESSOR.]**

*An attorney-in-fact who is named in a power of attorney to succeed an attorney-in-fact who dies, resigns, or otherwise is unable to serve, is not liable for any action taken by the predecessor attorney-in-fact.*

**Sec. 17. [523.15] [CO-ATTORNEYS-IN-FACT NOT LIA-  
BLE FOR ACTS OF EACH OTHER.]**

*When two or more attorneys-in-fact are authorized to act on behalf of a principal, an attorney-in-fact who did not join in or consent to the action of one or more co-attorneys-in-fact is not liable for that action. Failure to object to an action is not consent.*

**Sec. 18. [523.16] [AFFIDAVIT AS PROOF OF AUTHORITY OF ATTORNEY-IN-FACT.]**

*If the attorney-in-fact exercising a power pursuant to a power of attorney has authority to act as a result of the death, incompetency, or resignation of one or more attorneys-in-fact named in the power of attorney, an affidavit executed by the attorney-in-fact setting forth the conditions precedent to the attorney-in-fact's authority to act under the power of attorney and stating that those conditions have occurred is conclusive proof as to any party relying on the affidavit of the occurrence of those conditions.*

**Sec. 19. [523.17] [AFFIDAVIT OF ATTORNEY-IN-FACT AS CONCLUSIVE PROOF OF NONTERMINATION AND NONREVOCATION IN REAL PROPERTY TRANSACTIONS.]**

*If the exercise of a power granted by a power of attorney relating to real property requires execution or delivery of any instrument which is recordable, an affidavit, signed by the attorney-in-fact, stating that the attorney-in-fact did not have, at the time of exercising a power pursuant to the power of attorney, actual knowledge of the termination of the power of attorney by the death of the principal, or, if the power of attorney is one which terminates upon the incompetence of the principal, actual knowledge of the principal's incompetence, or actual notice of the revocation of the power of attorney, is conclusive proof that the power of attorney had not terminated or been revoked at the time of the exercise of the power as to any party relying on the affidavit except any party dealing directly with the attorney-in-fact who has actual knowledge that the power of attorney had terminated prior to the exercise of the power or actual notice of the revocation of the power of attorney.*

**Sec. 20. [523.18] [ATTORNEY-IN-FACT'S SIGNATURE AS CONCLUSIVE PROOF OF NONTERMINATION.]**

*In the exercise of a power granted by a power of attorney, other than in a transaction relating to real property described in section 19, a signature by a person as "attorney-in-fact for [Name of the Principal]" or "[Name of the Principal] by [Name of the attorney-in-fact] his/her attorney-in-fact" or any similar written disclosure of the principal and attorney-in-fact relationship constitutes an attestation by the attorney-in-fact that the attorney-in-fact did not have, at the time of signing,*

actual knowledge of the termination of the power of attorney by the death of the principal or, if the power is one which terminates upon incompetence of the principal, actual knowledge of the principal's incompetence, or actual notice of the revocation of the power of attorney, and is conclusive proof as to any party relying on the attestation that the power of attorney had not terminated or been revoked at the time of the signature by the attorney-in-fact on behalf of the principal except as to any party who has actual knowledge that the power of attorney had terminated prior to the signature or actual notice of the revocation of the power of attorney.

**Sec. 21. [523.19] [THIRD PARTIES HELD HARMLESS.]**

Any party accepting the authority of an attorney-in-fact to exercise a power granted by a power of attorney is not liable to the principal, to the heirs and assigns of the principal, or to any representative of the estate of the principal if: (1) the applicable provisions of sections 19 and 20 have been satisfied; (2) the provisions of section 18 have been satisfied, if applicable; (3) the party has no actual notice of the revocation of the power of attorney prior to the transaction; (4) the party has no actual knowledge of the death of the principal and, if the power of attorney is not a durable power of attorney, has not received actual notice of a judicial determination that the principal is legally incompetent; and (5) the duration of the power of attorney specified in the power of attorney itself, if any, has not expired. A good faith purchaser from any party who has obtained an interest in property from an attorney-in-fact is not liable to the principal, the heirs or assigns of the principal, or the representative of the estate of the principal.

**Sec. 22. [523.20] [LIABILITY OF PARTIES REFUSING AUTHORITY OF ATTORNEY-IN-FACT TO ACT ON PRINCIPAL'S BEHALF.]**

Any party refusing to accept the authority of an attorney-in-fact to exercise a power granted by a power of attorney which (1) is executed in conformity with section 25; (2) contains a specimen signature of the attorney-in-fact authorized to act; (3) with regard to the execution or delivery of any recordable instrument relating to real property, is accompanied by affidavits that satisfy the provisions of section 19; (4) with regard to any other transaction, is signed by the attorney-in-fact in a manner conforming to section 20; and (5) when applicable, is accompanied by an affidavit and any other document required by section 18, is liable to the principal and to the principal's heirs, assigns, and representative of the estate of the principal in the same manner as the party would be liable had the party refused to accept the authority of the principal to act on his own behalf unless: (1) the party has actual notice of the revocation of the power of attorney prior to the exercise of the power; (2)

the duration of the power of attorney specified in the power of attorney itself has expired; or (3) the party has actual knowledge of the death of the principal or, if the power of attorney is not a durable power of attorney, actual notice of a judicial determination that the principal is legally incompetent. This provision does not negate any liability which a party would have to the principal or to the attorney-in-fact under any other form of power of attorney under the common law or otherwise.

**Sec. 23. [523.21] [DUTIES OF AN ATTORNEY-IN-FACT.]**

The attorney-in-fact shall keep complete records of all transactions entered into by the attorney-in-fact on behalf of the principal. The attorney-in-fact has no duty to render an accounting of those transactions unless: (1) requested to do so at any time by the principal; or (2) the instrument conferring the power of attorney requires that the attorney-in-fact render accountings and specifies to whom the accounting must be delivered. The persons entitled to examine and copy the records of the attorney-in-fact are the principal and the guardian or conservator of the estate of the principal while the principal is living and the personal representative of the estate of the principal after the death of the principal. The attorney-in-fact has no affirmative duty to exercise any power conferred upon the attorney-in-fact under the power of attorney. In exercising any power conferred by the power of attorney, the attorney-in-fact shall exercise the power in the same manner as an ordinarily prudent person of discretion and intelligence would exercise in the management of the person's own affairs and shall have the interests of the principal utmost in mind. The attorney-in-fact is personally liable to any person, including the principal, who is injured by an action taken by the attorney-in-fact in bad faith under the power of attorney.

**Sec. 24. [523.22] [LIABILITY OF ATTORNEY-IN-FACT FOR IMPROPER EXECUTION OF AFFIDAVITS AND SIGNATURE.]**

Nothing in sections 3 to 27 limits any rights the principal may have against the attorney-in-fact for any fraudulent or negligent actions in executing affidavits or signing or acting on behalf of the principal as an attorney-in-fact. An attorney-in-fact who knowingly executes a false affidavit or, knowing that the conditions of section 20 are not satisfied, signs on behalf of the principal is liable for treble the amount of damages suffered by the principal.

**Sec. 25. [523.23] [STATUTORY SHORT FORM OF GENERAL POWER OF ATTORNEY; FORMAL REQUIREMENTS; JOINT AGENTS.]**

Subdivision 1. [FORM.] The use of the following form in the creation of a power of attorney is lawful, and, when used, it

shall be construed in accordance with the provisions of sections 25 and 26:

**NOTICE: THE POWERS GRANTED BY THIS DOCUMENT ARE BROAD AND SWEEPING. THEY ARE DEFINED IN SECTION 26. IF YOU HAVE ANY QUESTIONS ABOUT THESE POWERS, OBTAIN COMPETENT ADVICE. THE USE OF ANY OTHER OR DIFFERENT FORM OF POWER OF ATTORNEY DESIRED BY THE PARTIES IS ALSO PERMITTED. THIS POWER OF ATTORNEY MAY BE REVOKED BY YOU IF YOU LATER WISH TO DO SO. THIS POWER OF ATTORNEY AUTHORIZES THE ATTORNEY-IN-FACT TO ACT FOR YOU BUT DOES NOT REQUIRE THAT HE OR SHE DO SO.**

Know All Men by These Presents, which are intended to constitute a STATUTORY SHORT FORM POWER OF ATTORNEY pursuant to Chapter . . . , Section . . . , of Minnesota Law:

That I . . . . . (insert name and address of the principal) do hereby appoint . . . . . (insert name and address of the attorney-in-fact, or each attorney-in-fact, if more than one is designated) my attorney(s)-in-fact to act (jointly):

(NOTE: If more than one attorney-in-fact is designated and the principal wishes each attorney-in-fact alone to be able to exercise the power conferred, delete the word "jointly." Failure to delete the word "jointly" will require the attorneys-in-fact to act unanimously.)

First: in my name, place and stead in any way which I myself could do, if I were personally present, with respect to the following matters as each of them is defined in section 26:

[TO GRANT TO THE ATTORNEY-IN-FACT ANY OF THE FOLLOWING POWERS, INITIAL THE LINE IN FRONT OF EACH POWER BEING GRANTED. TO DELETE ANY OF THE FOLLOWING POWERS, DO NOT INITIAL THE LINE IN FRONT OF THE POWER. YOU MAY, BUT NEED NOT, CROSS OUT EACH POWER BEING DELETED WITH A LINE DRAWN THROUGH IT (OR IN SIMILAR FASHION). FAILURE TO INITIAL THE LINE IN FRONT OF THE POWER WILL HAVE THE EFFECT OF DELETING THE POWER.]

Initial

(A) real property transactions;

(B) tangible personal property transactions;

- ..... (C) *bond, share, and commodity transactions;*
- ..... (D) *banking transactions;*
- ..... (E) *business operating transactions;*
- ..... (F) *insurance transactions;*
- ..... (G) *beneficiary transactions;*
- ..... (H) *gift transactions;*
- ..... (I) *fiduciary transactions;*
- ..... (J) *claims and litigation;*
- ..... (K) *family maintenance;*
- ..... (L) *benefits from military service;*
- ..... (M) *records, reports, and statements;*
- ..... (N) *all other matters.*

**Second:** [YOU MUST INDICATE BELOW WHETHER OR NOT THIS POWER OF ATTORNEY WILL BE EFFECTIVE IF YOU BECOME INCOMPETENT. INITIAL THE LINE IN FRONT OF THE STATEMENT THAT EXPRESSES YOUR INTENT.]

*This power of attorney shall continue to be effective if I become incompetent. It shall not be affected by my later disability or incompetency.*

*This power of attorney shall not be effective if I become incompetent.*

**Third:** [YOU MUST INDICATE BELOW WHETHER OR NOT THIS POWER OF ATTORNEY AUTHORIZES THE ATTORNEY-IN-FACT TO TRANSFER YOUR PROPERTY DIRECTLY TO HIMSELF OR HERSELF. INITIAL THE LINE IN FRONT OF THE STATEMENT THAT EXPRESSES YOUR INTENT.]

*This power of attorney authorizes the attorney-in-fact to transfer property directly to himself or herself.*

*This power of attorney does not authorize the attorney-in-fact to transfer property directly to himself or herself.*

In Witness Whereof I have hereunto signed my name this day of \_\_\_\_\_, 19.....

(Signature of Principal)

[Acknowledgment]

Specimen Signature of Attorney(s)-in-Fact

Subd. 2. [FAILURE TO INITIAL A POWER.] Any of the powers of the form in subdivision 1 which is not initialed is withheld by the principal from the attorney-in-fact. The withholding by the principal from the attorney-in-fact of any of the powers of (A) to (M) of the form in subdivision 1 automatically constitute withholding of the powers of (N).

Subd. 3. [REQUIREMENTS.] To constitute a "statutory short form power of attorney," as this phrase is used in this chapter the wording and content of the form in subdivision 1 must be duplicated exactly, the NOTICES must appear in a conspicuous place and manner, parts Second and Third must be properly completed, and the signature of the principal must be acknowledged.

Subd. 4. [POWERS OF ATTORNEY-IN-FACT.] All powers enumerated in section 26 may be legally performed by an attorney-in-fact acting on behalf of a principal.

Sec. 26. [523.24] [CONSTRUCTION.]

Subdivision 1. [REAL PROPERTY TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to real estate transactions, means that the principal authorizes the attorney-in-fact:

(1) to accept as a gift, or as security for a loan, to reject, to demand, to buy, to lease, to receive, or otherwise to acquire either ownership or possession of any estate or interest in real property;

(2) to sell, exchange, convey either with or without covenants, quitclaim, release, surrender, mortgage, encumber, partition or consent the partitioning, plat or consent platting, grant options concerning, lease or sublet, or otherwise to dispose of, any estate or interest in real property;



(3) to release in whole or in part, assign the whole or a part of, satisfy in whole or in part, and enforce by action, proceeding or otherwise, any mortgage, encumbrance, lien, or other claim to real property which exists, or is claimed to exist, in favor of the principal;

(4) to do any act of management or of conservation with respect to any estate or interest in real property owned, or claimed to be owned, by the principal, including by way of illustration, but not of restriction, power to insure against any casualty, liability, or loss, to obtain or regain possession or protect such estate or interest by action, proceeding or otherwise, to pay, compromise or contest taxes or assessments, to apply for and receive refunds in connection therewith, to purchase supplies, hire assistance or labor, and make repairs or alterations in the structures or lands;

(5) to use in any way, develop, modify, alter, replace, remove, erect, or install structures or other improvements upon any real property in which the principal has, or claims to have, any estate or interest;

(6) to demand, receive, obtain by action, proceeding, or otherwise, any money, or other thing of value to which the principal is, or may become, or may claim to be entitled as the proceeds of an interest in real property or of one or more of the transactions enumerated in this subdivision; to conserve, invest, disburse, or utilize anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;

(7) to participate in any reorganization with respect to real property and receive and hold any shares of stock or instrument of similar character received in accordance with a plan of reorganization, and to act with respect to the shares, including, by way of illustration but not of restriction, power to sell or otherwise to dispose of the shares, or any of them, to exercise or sell any option, conversion or similar right with respect to the shares, and to vote on the shares in person or by the granting of a proxy;

(8) to agree and contract, in any manner, and with any person, and on any terms, which the attorney-in-fact may select, for the accomplishment of any of the purposes enumerated in this subdivision, and to perform, rescind, reform, release, or modify such an agreement or contract or any other similar agreement or contract made by or on behalf of the principal;

(9) to execute, acknowledge, seal, and deliver any deed, revocation, mortgage, lease, notice, check, or other instrument which

the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;

(10) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to, any claim existing in favor of, or against, the principal based on or involving any real estate transaction or to intervene in any action or proceeding relating to the claim;

(11) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant or assistants when the attorney-in-fact deems that action to be desirable for the proper execution of any of the powers described in this subdivision, and for the keeping of needed records; and

(12) in general, and in addition to all the specific acts in this subdivision, to do any other act with respect to any estate or interest in real property.

All powers described in this subdivision are exercisable equally with respect to any estate or interest in real property owned by the principal at the giving of the power of attorney or acquired after that time, and whether located in the state of Minnesota or elsewhere.

Subd. 2. [TANGIBLE PERSONAL PROPERTY TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to tangible personal property transactions, means that the principal authorizes the attorney-in-fact:

(1) to accept as a gift, or as security for a loan, reject, demand, buy, receive, or otherwise to acquire either ownership or possession of any tangible personal property or any interest in tangible personal property;

(2) to sell, exchange, convey either with or without covenants, release, surrender, mortgage, encumber, pledge, hypothecate, pawn, grant options concerning, lease or sublet to others, or otherwise to dispose of any tangible personal property or any interest in any tangible personal property;

(3) to release in whole or in part, assign the whole or a part of, satisfy in whole or in part, and enforce by action, proceeding or otherwise, any mortgage, encumbrance, lien, or other claim, which exists, or is claimed to exist, in favor of the principal, with respect to any tangible personal property or any interest in tangible personal property;

(4) to do any act of management or of conservation, with respect to any tangible personal property or to any interest in

*any tangible personal property owned, or claimed to be owned, by the principal, including by way of illustration, but not of restriction, power to insure against any casualty, liability, or loss, to obtain or regain possession, or protect the tangible personal property or interest in any tangible personal property, by action, proceeding, or otherwise, to pay, compromise, or contest taxes or assessments, to apply for and receive refunds in connection with taxes or assessments, move from place to place, store for hire or on a gratuitous bailment, use, alter, and make repairs or alterations of any tangible personal property, or interest in any tangible personal property;*

(5) *to demand, receive, or obtain by action, proceeding, or otherwise any money or other thing of value to which the principal is, or may become, or may claim to be entitled as the proceeds of any tangible personal property or of any interest in any tangible personal property, or of one or more of the transactions enumerated in this subdivision, to conserve, invest, disburse or utilize anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;*

(6) *to agree and contract in any manner and with any person and on any terms which the attorney-in-fact may select, for the accomplishment of any of the purposes enumerated in this subdivision, and to perform, rescind, reform, release, or modify any agreement or contract or any other similar agreement or contract made by or on behalf of the principal;*

(7) *to execute, acknowledge, seal, and deliver any conveyance, mortgage, lease, notice, check, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;*

(8) *to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any tangible personal property transaction or to intervene in any action or proceeding relating to such a claim;*

(9) *to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision, and for the keeping of needed records; and*

(10) *in general, and in addition to all the specific acts listed in this subdivision, to do any other acts with respect to any tangible personal property or interest in any tangible personal property.*

All powers described in this subdivision are exercisable equally with respect to any tangible personal property or interest in any tangible personal property owned by the principal at the giving of the power of attorney or acquired after that time, and whether located in the state of Minnesota or elsewhere.

Subd. 3. [BOND, SHARE, AND COMMODITY TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to bond, share, and commodity transactions means that the principal authorizes the attorney-in-fact:

(1) to accept as a gift or as security for a loan, reject, demand, buy, receive, or otherwise to acquire either ownership or possession of any bond, share, instrument of similar character, commodity interest, or any instrument with respect to the bond, share, or interest, together with the interest, dividends, proceeds, or other distributions connected with any of those instruments;

(2) to sell or sell short and to exchange, transfer either with or without a guaranty, release, surrender, hypothecate, pledge, grant options concerning, loan, trade in, or otherwise to dispose of any bond, share, instrument of similar character, commodity interest, or any instrument with respect to the bond, share, or interest;

(3) to release in whole or in part, assign the whole or a part of, satisfy in whole or in part, and enforce by action, proceeding or otherwise, any pledge, encumbrance, lien, or other claim as to any bond, share, instrument of similar character, commodity interest or any interest with respect to the bond, share, or interest, when the pledge, encumbrance, lien, or other claim is owned, or claimed to be owned, by the principal;

(4) to do any act of management or of conservation with respect to any bond, share, instrument of similar character, commodity interest or any instrument with respect thereto, owned or claimed to be owned by the principal or in which the principal has or claims to have an interest, including by way of illustration but not of restriction, power to insure against any casualty, liability, or loss, to obtain or regain possession or protect the principal's interest therein by action, proceeding or otherwise, to pay, compromise or contest taxes or assessments, to apply for and receive refunds in connection with taxes or assessments, to consent to and participate in any reorganization, recapitalization, liquidation, merger, consolidation, sale or lease, or other change in or revival of a corporation or other association, or in the financial structure of any corporation or other association, or in the priorities, voting rights, or other special rights with respect to the corporation or association, to become a depositor with any

protective, reorganization, or similar committee of the bond, share, other instrument of similar character, commodity interest, or any instrument with respect to the bond, share, or interest, belonging to the principal, to make any payments reasonably incident to the foregoing, to exercise or sell any option, conversion, or similar right, to vote in person or by the granting of a proxy with or without the power of substitution, either discretionary, general or otherwise, for the accomplishment of any of the purposes enumerated in this subdivision;

(5) to carry in the name of a nominee selected by the attorney-in-fact any evidence of the ownership of any bond, share, other instrument of similar character, commodity interest, or instrument with respect to the bond, share, or interest, belonging to the principal;

(6) to employ, in any way believed to be desirable by the attorney-in-fact, any bond, share, other instrument of similar character, commodity interest, or any instrument with respect to the bond, share, or interest, in which the principal has or claims to have any interest, for the protection or continued operation of any speculative or margin transaction personally begun or personally guaranteed, in whole or in part, by the principal;

(7) to demand, receive, or obtain by action, proceeding or otherwise, any money or other thing of value to which the principal is, or may become, or may claim to be entitled as the proceeds of any interest in a bond, share, other instrument of similar character, commodity interest, or any instrument with respect to the bond, share, or interest, or of one or more of the transactions enumerated in this subdivision, to conserve, invest, disburse, or utilize anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;

(8) to agree and contract, in any manner, with any broker or other person, and on any terms which the attorney-in-fact selects, for the accomplishment of any of the purposes enumerated in this subdivision, and to perform, rescind, reform, release, or modify the agreement or contract or any other similar agreement made by or on behalf of the principal;

(9) to execute, acknowledge, seal, and deliver any consent, agreement, authorization, assignment, revocation, notice, waiver of notice, check, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;

(10) to execute, acknowledge, and file any report or certificate required by law or governmental regulation;

(11) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to, any claim existing in favor of or against the principal based on or involving any bond, share, or commodity transaction or to intervene in any related action or proceeding;

(12) to hire, discharge, and compensate any attorney, accountant, expert witness or other assistant or assistants when the attorney-in-fact deems that action to be desirable for the proper execution of any of the powers described in this subdivision, and for the keeping of needed records; and

(13) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts with respect to any interest in any bond, share, other instrument of similar character, commodity, or instrument with respect to a commodity.

All powers described in this subdivision are exercisable equally with respect to any interest in any bond, share or other instrument of similar character, commodity, or instrument with respect to a commodity owned by the principal at the giving of the power of attorney or acquired after that time, whether located in the state of Minnesota or elsewhere.

Subd. 4. [BANKING TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to banking transactions, means that the principal authorizes the attorney-in-fact:

(1) to continue, modify, and terminate any deposit account or other banking arrangement made by or on behalf of the principal prior to the execution of the power of attorney;

(2) to open in the name of the principal alone, or in a way that clearly evidences the principal and attorney-in-fact relationship, a deposit account of any type with any bank, trust company, savings and loan association, credit union, thrift company, brokerage firm, or other institution which serves as a depository for funds selected by the attorney-in-fact, to hire safe deposit box or vault space and to make other contracts for the procuring of other services made available by the banking institution as the attorney-in-fact deems desirable;

(3) to make, sign, and deliver checks or drafts for any purpose, to withdraw by check, order, or otherwise any funds or property of the principal deposited with or left in the custody of any banking institution, wherever located, either before or after the execution of the power of attorney;

(4) to prepare any necessary financial statements of the assets and liabilities or income and expenses of the principal for submission to any banking institution;

(5) to receive statements, vouchers, notices, or other documents from any banking institution and to act with respect to them;

(6) to enter at any time any safe deposit box or vault which the principal could enter if personally present;

(7) to borrow money at any interest rate the attorney-in-fact selects, to pledge as security any assets of the principal the attorney-in-fact deems desirable or necessary for borrowing, to pay, renew, or extend the time of payment of any debt of the principal;

(8) to make, assign, draw, endorse, discount, guarantee, and negotiate, all promissory notes, bills of exchange, checks, drafts, or other negotiable or nonnegotiable paper of the principal, or payable to the principal or his order, to receive the cash or other proceeds of any of those transactions, to accept any bill of exchange or draft drawn by any person upon the principal, and to pay it when due;

(9) to receive for the principal and to deal in and to deal with any sight draft, warehouse receipt, or other negotiable or nonnegotiable instrument in which the principal has or claims to have an interest;

(10) to apply for and to receive letters of credit from any banking institution selected by the attorney-in-fact, giving indemnity or other agreement in connection with the letters of credit which the attorney-in-fact deems desirable or necessary;

(11) to consent to an extension in the time of payment with respect to any commercial paper or any banking transaction in which the principal has an interest or by which the principal is, or might be, affected in any way;

(12) to demand, receive, obtain by action, proceeding, or otherwise any money or other thing of value to which the principal is, or may become, or may claim to be entitled as the proceeds of any banking transaction, and to reimburse the attorney-in-fact for any expenditures properly made in the execution of the powers conferred upon the attorney-in-fact by the statutory short form power of attorney;

(13) to execute, acknowledge, and deliver any instrument of any kind, in the name of the principal or otherwise, which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;

(14) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any

banking transaction or to intervene in any related action or proceeding;

(15) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution of any of the powers described in this subdivision, and for the keeping of needed records; and

(16) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts in connection with any banking transaction which does or might in any way affect the financial or other interests of the principal.

All powers described in this subdivision are exercisable equally with respect to any banking transaction engaged in by the principal at the giving of the power of attorney or engaged in after that time, and whether conducted in the state of Minnesota or elsewhere.

**Subd. 5. [BUSINESS OPERATING TRANSACTIONS.]**  
In a statutory short form power of attorney, the language conferring general authority with respect to business operating transactions, means that the principal authorizes the attorney-in-fact:

(1) to discharge and perform any duty or liability and also to exercise any right, power, privilege, or option which the principal has, or claims to have, under any partnership agreement whether the principal is a general or limited partner; to enforce the terms of a partnership agreement for the protection of the principal, by action, proceeding, or otherwise, as the attorney-in-fact deems desirable or necessary, and to defend, submit to arbitration, settle, or compromise any action or other legal proceeding to which the principal is a party because of his membership in the partnership;

(2) to exercise in person or by proxy or to enforce by action, proceeding, or otherwise, any right, power, privilege, or option which the principal has as the holder of any bond, share, or other instrument of similar character and to defend, submit to arbitration, settle or compromise any action or other legal proceeding to which the principal is a party because of a bond, share, or other instrument of similar character;

(3) with respect to any business enterprise which is owned solely by the principal:

(a) to continue, modify, renegotiate, extend, and terminate any contractual arrangements made with any person or entity, firm, association, or corporation by or on behalf of the principal



*with respect to the business enterprise prior to the granting of the power of attorney;*

*(b) to determine the policy of the business enterprise as to the location of the site or sites to be used for its operation, the nature and extent of the business to be undertaken by it, the methods of manufacturing, selling, merchandising, financing, accounting, and advertising to be employed in its operation, the amount and types of insurance to be carried, the mode of securing, compensating, and dealing with accountants, attorneys, servants, and other agents and employees required for its operation, and to agree and to contract in any manner, with any person, and on any terms which the attorney-in-fact deems desirable or necessary for effectuating any or all of the decisions of the attorney-in-fact as to policy, and to perform, rescind, reform, release, or modify the agreement or contract or any other similar agreement or contract made by or on behalf of the principal;*

*(c) to change the name or form of organization under which the business enterprise is operated and to enter into a partnership agreement with other persons or to organize a corporation to take over the operation of the business or any part of the business, as the attorney-in-fact deems desirable or necessary;*

*(d) to demand and receive all money which is or may become due to the principal or which may be claimed by the principal or on his behalf in the operation of the business enterprise, and to control and disburse the funds in the operation of the enterprise in any way which the attorney-in-fact deems desirable or necessary, and to engage in any banking transactions which the attorney-in-fact deems desirable or necessary for effectuating the execution of any of the powers of the attorney-in-fact described in clauses (a) to (d);*

*(4) to prepare, sign, file, and deliver all reports, compilations of information, returns, or other papers with respect to any business operating transaction of the principal, which are required by any governmental agency, department, or instrumentality or which the attorney-in-fact deems desirable or necessary for any purpose, and to make any related payments;*

*(5) to pay, compromise, or contest taxes or assessments and to do any act or acts which the attorney-in-fact deems desirable or necessary to protect the principal from illegal or unnecessary taxation, fines, penalties, or assessments in connection with his business operations, including power to attempt to recover, in any manner permitted by law, sums paid before or after the execution of the power of attorney as taxes, fines, penalties, or assessments;*

*(6) to demand, receive, obtain by action, proceeding, or otherwise, any money or other thing of value to which the prin-*

principal is, may become, or may claim to be entitled as the proceeds of any business operation of the principal, to conserve, to invest, to disburse, or to use anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred upon the attorney-in-fact by the statutory short form power of attorney;

(7) to execute, acknowledge, seal, and deliver any deed, assignment, mortgage, lease, notice, consent, agreement, authorization, check, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;

(8) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to, any claim existing in favor of, or against, the principal based on or involving any business operating transaction or to intervene in any related action or proceeding;

(9) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision, and for the keeping of needed records; and

(10) in general, and in addition to all the specific acts listed in this subdivision, to do any other act which the attorney-in-fact deems desirable or necessary for the furtherance or protection of the interests of the principal in any business.

All powers described in this subdivision are exercisable equally with respect to any business in which the principal is interested at the time of giving of the power of attorney or in which the principal becomes interested after that time, and whether operated in the state of Minnesota or elsewhere.

Subd. 6. [INSURANCE TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to insurance transactions, means that the principal authorizes the attorney-in-fact:

(1) to continue, pay the premium or assessment on, modify, rescind, release, or terminate any contract of life, accident, health, or disability insurance or for the provision of health care services, or any combination of these contracts procured by or on behalf of the principal prior to the granting of the power of attorney which insures either the principal or any other person, without regard to whether the principal is or is not a beneficiary under the contract;

(2) to procure new, different, or additional contracts of life, accident, health, or disability insurance for the principal or for provision of health care services for the principal, to select the amount, the type of insurance and the mode of payment under each contract, to pay the premium or assessment on, modify, rescind, release or terminate, any contract so procured by the attorney-in-fact, and to designate the beneficiary of the contract, provided, however, that the attorney-in-fact cannot be named a beneficiary except, if permitted under subdivision 8, the attorney-in-fact can be named the beneficiary of death benefit proceeds under an insurance contract, or, if the attorney-in-fact was named as a beneficiary under the contract which was procured by the principal prior to the granting of the power of attorney, then the attorney-in-fact can continue to be named as the beneficiary under the contract or under any extension or renewal of or substitute for the contract;

(3) to apply for and receive any available loan on the security of the contract of insurance, whether for the payment of a premium or for the procuring of cash, to surrender and then to receive the cash surrender value, to exercise any election as to beneficiary or mode of payment, to change the manner of paying premiums, to change or convert the type of insurance contract, with respect to any contract of life, accident, health, disability, or liability insurance as to which the principal has, or claims to have, any one or more of the powers described in this subdivision and to change the beneficiary of the contract of insurance, provided, however, that the attorney-in-fact cannot be a new beneficiary except, if permitted under subdivision 8, the attorney-in-fact can be the beneficiary of death benefit proceeds under an insurance contract, or, if the attorney-in-fact was named as a beneficiary under the contract which was procured by the principal prior to the granting of the power of attorney, then the attorney-in-fact can continue to be named as the beneficiary under the contract or under any extension or renewal of or substitute for the contract;

(4) to demand, receive, obtain by action, proceeding, or otherwise, any money, dividend, or other thing of value to which the principal is, or may become, or may claim to be entitled as the proceeds of any contract of insurance or of one or more of the transactions enumerated in this subdivision, to conserve, invest, disburse, or utilize anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;

(5) to apply for and procure any available governmental aid in the guaranteeing or paying of premiums of any contract of insurance on the life of the principal;

(6) to sell, assign, hypothecate, borrow upon, or pledge the interest of the principal in any contract of insurance;

(7) to pay from any proceeds or otherwise, compromise, or contest, and to apply for refunds in connection with, any tax or assessment levied by a taxing authority with respect to any contract of insurance or the proceeds of the refunds or liability accruing by reason of the tax or assessment;

(8) to agree and contract in any manner, with any person, and on any terms which the attorney-in-fact selects for the accomplishment of any of the purposes enumerated in this subdivision, and to perform, rescind, reform, release, or modify the agreement or contract;

(9) to execute, acknowledge, seal, and deliver any consent, demand, request, application, agreement, indemnity, authorization, assignment, pledge, notice, check, receipt, waiver, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;

(10) to continue, procure, pay the premium or assessment on, modify, rescind, release, terminate, or otherwise deal with any contract of insurance, other than those enumerated in (1) or (2), whether fire, marine, burglary, compensation, liability, hurricane, casualty, or other type, or any combination of insurance, to do any act or acts with respect to the contract or with respect to its proceeds or enforcement which the attorney-in-fact deems desirable or necessary for the promotion or protection of the interests of the principal;

(11) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any insurance transaction or to intervene in any related action or proceeding;

(12) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistants when the attorney-in-fact deems the action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision and for the keeping of needed records; and

(13) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts in connection with procuring, supervising, managing, modifying, enforcing, and terminating contracts of insurance or for the provisions of health care services in which the principal is the insured or is otherwise in any way interested.

All powers described in this subdivision are exercisable with respect to any contract of insurance or for the provision of health care service in which the principal is in any way interested, whether made in the state of Minnesota or elsewhere.

Subd. 7. [BENEFICIARY TRANSACTIONS.] *In the statutory short form power of attorney, the language conferring general authority with respect to beneficiary transactions, means that the principal authorizes the attorney-in-fact:*

(1) *to represent and act for the principal in all ways and in all matters affecting any trust, probate estate, guardianship, conservatorship, escrow, custodianship, or other fund out of which the principal is entitled, or claims to be entitled, as a beneficiary, to some share or payment, including, but not limited to the following:*

(a) *to accept, reject, disclaim, receive, receipt for, sell, assign; release, pledge, exchange, or consent to a reduction in or modification of any share in or payment from the fund;*

(b) *to demand or obtain by action, proceeding, or otherwise any money or other thing of value to which the principal is, may become, or may claim to be entitled by reason of the fund, to initiate, to participate in, and to oppose any proceeding, judicial, or otherwise, for the ascertainment of the meaning, validity, or effect of any deed, declaration of trust, or other transaction affecting in any way the interest of the principal, to initiate, participate in, and oppose any proceeding, judicial or otherwise, for the removal, substitution, or surcharge of a fiduciary, to conserve, invest, disburse, or use anything so received for purposes listed in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;*

(c) *to prepare, sign, file, and deliver all reports, compilations of information, returns, or papers with respect to any interest had or claimed by or on behalf of the principal in the fund, to pay, compromise, or contest, and apply for and receive refunds in connection with, any tax or assessment, with respect to any interest had or claimed by or on behalf of the principal in the fund or with respect to any property in which an interest is had or claimed;*

(d) *to agree and contract in any manner, with any person, and on any terms the attorney-in-fact selects; for the accomplishment of the purposes listed in this subdivision, and to perform, rescind, reform, release, or modify the agreement or contract or any other similar agreement or contract made by or on behalf of the principal;*

(e) *to execute, acknowledge, verify, seal, file, and deliver any deed, assignment, mortgage, lease, consent, designation, pleading, notice, demand, election, conveyance, release, assignment, check, pledge, waiver, admission of service, notice of appearance, or other instrument which the attorney-in-fact deems*

*useful for the accomplishment of any of the purposes enumerated in this subdivision;*

*(f) to submit to arbitration or settle and propose or accept a compromise with respect to any controversy or claim which affects the administration of the fund, in any one of which the principal has, or claims to have, an interest, and to do any and all acts which the attorney-in-fact deems to be desirable or necessary in effectuating the compromise;*

*(g) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant, when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision, and for the keeping of needed records;*

*(h) to transfer any part or all of any interest which the principal may have in any interests in real estate, stocks, bonds, bank accounts, insurance, and any other assets of any kind and nature, to the trustee of any revocable trust created by the principal as grantor.*

*For the purposes of clauses (a) to (h), "the fund" means any trust, probate estate, guardianship, conservatorship, escrow, custodianship, or any other fund in which the principal has or claims to have an interest.*

*(2) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts with respect to the administration of a trust, probate estate, guardianship, conservatorship, escrow, custodianship, or other fund, in which the principal has, or claims to have, an interest as a beneficiary.*

*All powers described in this subdivision are exercisable equally with respect to the administration or disposition of any trust, probate estate, guardianship, conservatorship, escrow, custodianship, or other fund in which the principal is interested at the giving of the power of attorney or becomes interested after that time, as a beneficiary, and whether located in the state of Minnesota or elsewhere.*

*Subd. 8. [GIFT TRANSACTIONS.] In the statutory short form power of attorney, the language conferring general authority with respect to gift transactions, means that the principal authorizes the attorney-in-fact:*

*(1) to make gifts to organizations, whether charitable or otherwise, to which the principal has made gifts, and to satisfy pledges made to organizations by the principal;*

*(2) to make gifts on behalf of the principal to the principal's spouse, children, and other descendants or the spouse*

of any child or other descendant, either outright or in trust, for purposes which the attorney-in-fact deems to be in the best interest of the principal, specifically including minimization of income, estate, inheritance, or gift taxes, provided that no attorney-in-fact nor any one the attorney-in-fact has a legal obligation to support may be the recipient of any gifts in any one calendar year which, in the aggregate, exceed \$10,000 in value to each recipient;

(3) to prepare, execute, consent to on behalf of the principal, and file any return, report, declaration, or other document required by the laws of the United States, any state or subdivision of a state, or any foreign government, which the attorney-in-fact deems to be desirable or necessary with respect to any gift made under the authority of this subdivision;

(4) to execute, acknowledge, seal, and deliver any deed, assignment, agreement, authorization, check, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;

(5) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any gift transaction or to intervene in any related action or proceeding;

(6) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision, and for the keeping of needed records; and

(7) in general, and in addition to but not in contravention of all the specific acts listed in this subdivision, to do any other acts which the attorney-in-fact deems desirable or necessary to complete any gift on behalf of the principal.

All powers described in this subdivision are exercisable equally with respect to a gift of any property in which the principal is interested at the giving of the power of attorney or becomes interested after that time, and whether located in the state of Minnesota or elsewhere.

Subd. 9. [FIDUCIARY TRANSACTIONS.] In a statutory short form power of attorney, the language conferring general authority with respect to fiduciary transactions, means that the principal authorizes the agent:

(1) to apply for and procure, in the name of the principal, letters of administration, letters testamentary, letters of guard-

ianship or conservatorship, or any other type of authority, either judicial or administrative, to act as a fiduciary of any sort;

(2) to represent and act for the principal in all ways and in all matters affecting any fund with respect to which the principal is a fiduciary;

(3) to initiate, participate in, and oppose any proceeding, judicial or otherwise, for the removal, substitution, or surcharge of a fiduciary, to conserve, to invest or to disburse anything received for the purposes of the fund for which it is received, and to reimburse the attorney-in-fact for any expenditures properly made by the attorney-in-fact in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;

(4) to agree and contract, in any manner, with any person, and on any terms which the attorney-in-fact selects for the accomplishment of the purposes enumerated in this subdivision, and to perform, rescind, reform, release, or modify the agreement or contract or any other similar agreement or contract made by or on behalf of the principal;

(5) to execute, acknowledge, verify, seal, file, and deliver any consent, designation, pleading, notice, demand, election, conveyance, release, assignment, check, pledge, waiver, admission of service, notice of appearance, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;

(6) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistants, when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision, and for the keeping of needed records; and

(7) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts with respect to a fund of which the principal is a fiduciary.

For the purposes of clauses (1) to (7), "fund" means any trust, probate estate, guardianship, conservatorship, escrow, custodianship, or any other fund in which the principal has, or claims to have, an interest as a fiduciary.

All powers described in this subdivision are exercisable equally with respect to any fund of which the principal is a fiduciary to the giving of the power of attorney or becomes a fiduciary after that time, and whether located in the state of Minnesota or elsewhere.



*Subd. 10. [CLAIMS AND LITIGATION.] In a statutory short form power of attorney, the language conferring general authority with respect to claims and litigation, means that the principal authorizes the attorney-in-fact:*

*(1) to assert and prosecute before any court, administrative board, department, commissioner, or other tribunal, any cause of action, claim, counterclaim, offset, or defense, which the principal has, or claims to have, against any individual, partnership, association, corporation, government, or other person or instrumentality, including, by way of illustration and not of restriction, power to sue for the recovery of land or of any other thing of value, for the recovery of damages sustained by the principal in any manner, for the elimination or modification of tax liability, for an injunction, for specific performance, or for any other relief;*

*(2) to bring an action of interpleader or other action to determine adverse claims, to intervene or interplead in any action or proceeding, and to act in any litigation as amicus curiae;*

*(3) in connection with any action or proceeding or controversy at law or otherwise, to apply for and, if possible, procure a libel, an attachment, a garnishment, an order of arrest, or other preliminary, provisional, or intermediate relief and to resort to and to utilize in all ways permitted by law any available procedure for the effectuation or satisfaction of the judgment, order, or decree obtained;*

*(4) in connection with any action or proceeding, at law or otherwise, to perform any act which the principal might perform, including by way of illustration and not of restriction, acceptance of tender, offer of judgment, admission of any facts, submission of any controversy on an agreed statement of facts, consent to examination before trial, and generally to bind the principal in the conduct of any litigation or controversy as seems desirable to the attorney-in-fact;*

*(5) to submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal or any litigation to which the principal is, may become, or may be designated a party;*

*(6) to waive the issuance and service of a summons, citation, or other process upon the principal, accept service of process, appear for the principal, designate persons upon whom process directed to the principal may be served, execute and file or deliver stipulations on the principal's behalf, verify pleadings, appeal to appellate tribunals, procure and give surety and indemnity bonds at the times and to the extent the attorney-in-fact deems desirable or necessary, contract and pay for the preparation and printing of records and briefs, receive and execute and*

*file or deliver any consent, waiver, release, confession of judgment, satisfaction of judgment, notice, agreement, or other instrument which the attorney-in-fact deems desirable or necessary in connection with the prosecution, settlement, or defense of any claim by or against the principal or of any litigation to which the principal is or may become or be designated a party;*

*(7) to appear for, represent, and act for the principal with respect to bankruptcy or insolvency proceedings, whether voluntary or involuntary, whether of the principal or of some other person, with respect to any reorganization proceeding, or with respect to any receivership or application for the appointment of a receiver or trustee which, in any way, affects any interest of the principal in any real property, bond, share, commodity interest, tangible personal property, or other thing of value;*

*(8) to hire, discharge, and compensate any attorney, accountant, expert witness or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution of any of the powers described in this subdivision;*

*(9) to pay, from funds in the control of the attorney-in-fact or for the account of the principal, any judgment against the principal or any settlement which may be made in connection with any transaction enumerated in this subdivision, and to receive and conserve any money or other things of value paid in settlement of or as proceeds of one or more of the transactions enumerated in this subdivision, and to receive, endorse, and deposit checks; and*

*(10) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts in connection with any claim by or against the principal or with litigation to which the principal is or may become or be designated a party.*

*All powers described in this subdivision are exercisable equally with respect to any claim or litigation existing at the giving of the power of attorney or arising after that time, and whether arising in the state of Minnesota or elsewhere.*

*Subd. 11. [FAMILY MAINTENANCE.] In a statutory short form power of attorney, the language conferring general authority with respect to family maintenance, means that the principal authorizes the attorney-in-fact:*

*(1) to do all acts necessary for maintaining the customary standard of living of the spouse and children, and other persons customarily supported by the principal, including by way of illustration and not by way of restriction, power to provide living quarters by purchase, lease, or other contract, or by payment of the operating costs, including interest, amortization payments, repairs, and taxes of premises owned by the principal and occupied by his family or dependents, to provide normal*

*domestic help for the operation of the household, to provide usual vacations and usual travel expenses, to provide usual educational facilities, and to provide funds for all the current living costs of the spouse, children, and other dependents, including, among other things, shelter, clothing, food, and incidentals;*

*(2) to pay for necessary medical, dental, and surgical care, hospitalization, and custodial care for the spouse, children, and other dependents of the principal;*

*(3) to continue whatever provision has been made by the principal, either prior to or after the execution of the power of attorney, for his spouse and other persons customarily supported by the principal, with respect to automobiles, or other means of transportation, including by way of illustration but not by way of restriction, power to license, insure, and replace any automobiles owned by the principal and customarily used by the spouse, children, or other persons customarily supported by the principal;*

*(4) to continue whatever charge accounts have been operated by the principal prior to the execution of the power of attorney or thereafter for the convenience of his spouse, children, or other persons customarily supported by the principal, to open new accounts the attorney-in-fact deems to be desirable for the accomplishment of any of the purposes enumerated in this subdivision, and to pay the items charged on those accounts by any person authorized or permitted by the principal to make charges prior to the execution of the power of attorney;*

*(5) to continue payments incidental to the membership or affiliation of the principal in any church, club, society, order, or other organization or to continue contributions to those organizations;*

*(6) to demand, receive, obtain by action, proceeding, or otherwise any money or other thing of value to which the principal is or may become or may claim to be entitled as salary, wages, commission, or other remuneration for services performed, or as a dividend or distribution upon any stock, or as interest or principal upon any indebtedness, or any periodic distribution of profits from any partnership or business in which the principal has or claims an interest, and to endorse, collect, or otherwise realize upon any instrument for the payment received;*

*(7) to use any asset of the principal for the performance of the powers enumerated in this subdivision, including by way of illustration and not by way of restriction, power to draw money by check or otherwise from any bank deposit of the principal, to sell any interest in real property, bond, share, commodity interest, tangible personal property, or other asset of the prin-*

cipal, to borrow money and pledge as security for a loan, any asset, including insurance, which belongs to the principal;

(8) to execute, acknowledge, verify, seal, file, and deliver any application, consent, petition, notice, release, waiver, agreement, or other instrument which the attorney-in-fact deems useful for the accomplishment of any of the purposes enumerated in this subdivision;

(9) to hire, discharge, and compensate any attorney, accountant, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution by any of the powers described in this subdivision, and for the keeping of needed records; and

(10) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts for the welfare of the spouse, children, or other persons customarily supported by the principal or for the preservation and maintenance of the other personal relationships of the principal to parents, relatives, friends, and organizations as are appropriate.

All powers described in this subdivision are exercisable equally whether the acts required for their execution relate to real or personal property owned by the principal at the giving of the power of attorney or acquired after that time and whether those acts are performable in the state of Minnesota or elsewhere.

Subd. 12. [BENEFITS FROM MILITARY SERVICE.] In a statutory short form power of attorney, the language conferring general authority with respect to benefits from military service, means that the principal authorizes the attorney-in-fact:

(1) to execute vouchers in the name of the principal for any and all allowances and reimbursements payable by the United States or by any state or subdivision of a state to the principal, including, by way of illustration and not of restriction, all allowances and reimbursements for transportation of the principal and of his dependents, and for shipment of household effects, to receive, endorse, and collect the proceeds of any check payable to the order of the principal drawn on the treasurer or other fiscal officer or depository of the United States or of any state or subdivision of a state;

(2) to take possession and order the removal and shipment of any property of the principal from any post, warehouse, depot, dock, or other place of storage or safekeeping, either governmental or private, to execute and deliver any release, voucher, receipt, bill of lading, shipping ticket, certificate, or other instrument which the attorney-in-fact deems desirable or necessary for that purpose;

(3) to prepare, file, and prosecute the claim of the principal to any benefit or assistance, financial or otherwise, to which the principal is, or claims to be, entitled, under the provisions of any statute or regulation existing at the execution of the power of attorney or enacted after that time by the United States or by any state or by any subdivision of a state, or by any foreign government, which benefit or assistance arises from or is based upon military service performed prior to or after the execution of the power of attorney by the principal or by any person related by blood or marriage to the principal, to execute any receipt or other instrument which the attorney-in-fact deems desirable or necessary for the enforcement or for the collection of that claim;

(4) to receive the financial proceeds of any claim of the type described in this subdivision, to conserve, invest, disburse, or use anything so received for purposes enumerated in this subdivision, and to reimburse the attorney-in-fact for any expenditures properly made by him in the execution of the powers conferred on the attorney-in-fact by the statutory short form power of attorney;

(5) to prosecute, defend, submit to arbitration, settle, and propose or accept a compromise with respect to any claim existing in favor of or against the principal based on or involving any benefits from military service or to intervene in any related action or proceeding;

(6) to hire, discharge, and compensate any attorney, accountant, expert witness, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution by the attorney-in-fact of any of the powers described in this subdivision; and

(7) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts which the attorney-in-fact deems desirable or necessary, to assure to the principal, and to the dependents of the principal, the maximum possible benefit from the military service performed prior to or after the execution of the power of attorney by the principal or by any person related by blood or marriage to the principal.

All powers described in this subdivision are exercisable equally with respect to any benefits from military service existing at the giving of the power of attorney or accruing after that time, and whether accruing in the state of Minnesota or elsewhere.

*Subd. 13.* [RECORDS, REPORTS, AND STATEMENTS.]  
In a statutory short form power of attorney, the language conferring general authority with respect to records, reports, and statements means that the principal authorizes the attorney-in-fact:

(1) to keep records of all cash received and disbursed for or on account of the principal, of all credits and debits to the account of the principal, and of all transactions affecting in any way the assets and liabilities of the principal;

(2) to prepare, execute, and file all tax and tax information returns, for all periods, required by the laws of the United States, any state or any subdivision of a state, or any foreign government, to prepare, execute, and file all other tax-related documents for all tax periods, including requests for extension of time, offers, waivers, consents, powers of attorney, closing agreements, and petitions to any tax court regarding tax matters, and to prepare, execute, and file all other instruments which the attorney-in-fact deems desirable or necessary for the safeguarding of the principal against excessive or illegal taxation or against penalties imposed for claimed violation of any law or other governmental regulation, it being the intent of this provision that it is sufficiently definite to permit the attorney-in-fact to represent the principal respecting all taxes that the principal has paid and all tax returns that the principal has filed, either personally or through an agent, with the Internal Revenue Service or any other agency of the United States government, any state department of revenue, any political subdivision of a state, and any foreign country or political subdivision of a foreign country;

(3) to prepare, execute, and file any return, report, declaration, or other document required by the laws of the United States, any state, subdivision of a state, or any foreign government, including, by way of illustration and not as a limitation, any report or declaration required by the Social Security Administration, the commissioner of economic security or other, similar, governmental agency, which the attorney-in-fact deems to be desirable or necessary for the safeguarding or maintenance of the principal's interest;

(4) to prepare, execute, and file any record, report, or statement which the attorney-in-fact deems desirable or necessary for the safeguarding or maintenance of the principal's interest, with respect to price, rent, wage, or rationing control, or other governmental activity;

(5) to hire, discharge, and compensate any attorney, accountant, or other assistant when the attorney-in-fact deems that action to be desirable for the proper execution of any of the powers described in this subdivision; and

(6) in general, and in addition to all the specific acts listed in this subdivision, to do any other acts in connection with the preparation, execution, filing, storage, or other use of any records, reports, or statements of or concerning the principal's affairs.

*All powers described in this subdivision are exercisable equally with respect to any records, reports, or statements of or concerning the affairs of the principal existing at the giving of the power of attorney or arising after that time, and whether arising in the state of Minnesota or elsewhere.*

*Subd. 14. [ALL OTHER MATTERS.] In a statutory short form power of attorney, the language conferring general authority with respect to all other matters, means that the principal authorizes the attorney-in-fact to act as an alter ego of the principal with respect to any and all possible matters and affairs affecting property owned by the principal which are not enumerated in subdivisions 1 to 13, and which the principal can do through an agent.*

**Sec. 27. [523.25] [MODIFICATION TO STATUTORY SHORT FORM POWER OF ATTORNEY.]**

*A power of attorney which satisfies the requirements of section 25, subdivision 1, is not prevented from being a statutory short form power of attorney, by the fact that: (1) it creates a nondurable power of attorney instead of a durable power of attorney; (2) it provides for one or more named successors to the attorney-in-fact originally named; or (3) it provides that the attorney-in-fact must render an accounting to the principal or other designated person.*

Sec. 28. Minnesota Statutes 1982, section 528.15, is amended to read:

**528.15 [PURPOSE; FORMS.]**

The declared purpose of sections 528.01 to (528.16) 528.15 is to render certainty to the nature of accounts of deposit in relation to the rights of survivorship, and to distinguish accounts of survivorship from accounts established for the purpose of having an agent with power to draw on the account for the convenience of the owner with no survivorship rights in the agent. To further accomplish this purpose, the forms contained in this section are recommended for use to be kept on file in the depository financial institution. Deposits made using a form of account containing the following language signed by the depositor shall be conclusive evidence of the intent of decedent to establish a survivorship account in the absence of fraud or misrepresentation, subject, nevertheless, to other disposition made by will specifically referring to the account as otherwise provided in section 528.05, clause (e), the form to read as follows:

"The undersigned signators of this account hereby acknowledge that the depositor or depositors, both as to the original deposit and any subsequent deposits, intend that such funds as

may constitute the account balance upon the death of any party to this account, shall be the property of the surviving party or parties who shall take as a surviving joint tenant.

If two or more persons shall be the survivors, their interests shall continue to be held as joint tenants with right of survivorship.

Where no rights of survivorship are intended and the account is one to be established for convenience only between a depositor and his agent, the following language is recommended for use, and when so used, any account deposited in the form shall be construed as a matter of law to be an account subject to a power of attorney with no survivorship rights, the form to read as follows:

"I ..... (grantor of power), hereby constitute and appoint ..... (grantee of power), as my attorney in fact, to deposit or withdraw funds held in ..... (name of bank), in account No. ....

Dated:

Acknowledgment: In the presence of ..... (an authorized person), ..... (name of financial institution)."

The power so granted is subject to the provisions of (SECTION 528.16) sections 3 to 27.

Sec. 29. [REPEALER.]

Minnesota Statutes 1982, sections 51A.25; 507.291; 507.292; 507.293; 507.294; 507.39; 524.5-501; 524.5-502; and 528.16, are repealed."

Delete the title and insert:

"A bill for an act relating to powers of attorney; providing procedures for granting powers of attorney; construing various specific powers; amending Minnesota Statutes 1982, sections 508.72; 508A.72; 528.15; proposing new law coded as Minnesota Statutes, chapter 523; repealing Minnesota Statutes 1982, sections 51A.25; 507.291; 507.292; 507.293; 507.294; 507.39; 524.5-501; 524.5-502; and 528.16."

With the recommendation that when so amended the bill pass.

The report was adopted.



Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 1950, A bill for an act relating to marriage; authorizing a married woman to use her former surname; proposing new law coded in Minnesota Statutes, chapters 325G and 517.

Reported the same back with the following amendments:

Page 1, line 10, after "her" insert "current or" and after "surname" delete "or"

Page 1, line 11, delete "married name"

Page 1, line 13, delete "her" and insert "a"

Page 1, line 14, after the period, insert "Refusal to issue a credit card pursuant to this section constitutes an unfair discriminatory practice under section 363.03, subdivision 8."

Page 1, delete lines 15 to 24 and insert:

"Sec. 2. Minnesota Statutes 1982, section 363.03, subdivision 8, is amended to read:

Subd. 8. [CREDIT; SEX DISCRIMINATION.] It is an unfair discriminatory practice:

(1) to discriminate in the extension of credit to a person because of sex or marital status;

(2) for a credit card issuer to refuse to issue a credit card to a woman under her current or former surname unless there is an intent to defraud or mislead, except that a credit card issuer may require that a woman requesting a card under a former surname open a separate account in that name. A credit card issuer may also require disclosure of any other names under which the credit card applicant may have a credit history.

Sec. 3. Minnesota Statutes 1982, section 363.03, is amended by adding a subdivision to read:

Subd. 8a. [BUSINESS; SEX DISCRIMINATION.] It is an unfair discriminatory practice for a person engaged in a trade or business or in the provision of a service to refuse to do business with or provide a service to a woman based on her use of her current or former surname. It is an unfair discriminatory practice for a person to impose, as a condition of doing business with or providing a service to a woman, that a woman use her current surname rather than a former surname."

Delete the title and insert:

"A bill for an act relating to discrimination; authorizing a woman to use a current or former surname for purposes of credit or business; prohibiting discrimination on the basis of use of a current or former surname; amending Minnesota Statutes 1982, section 363.03, subdivision 8, and by adding a subdivision; proposing new law coded in Minnesota Statutes, chapter 325G."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

H. F. No. 2049, A bill for an act relating to vital statistics; providing for collection of statistical data concerning the dissolution or annulment of marriage; appropriating money; amending Minnesota Statutes 1982, section 144.224; proposing new law coded in Minnesota Statutes, chapter 518.

Reported the same back with the following amendments:

Page 1, delete section 1 and insert:

"Section 1. Minnesota Statutes 1982, section 144.224, is amended to read:

144.224 [REPORTS OF DISSOLUTION AND ANNULMENT OF MARRIAGE.]

Each month the clerk of court shall (FILE A REPORT WITH) *forward to* the (STATE REGISTRAR, REPORTING) *commissioner of health* the (DISSOLUTIONS AND ANNULMENTS OF MARRIAGE GRANTED BY THE COURT IN) *statistical report forms collected pursuant to section 2 during* the preceding month. The report *form* shall include *only* the following information:

a. Name (AND), date of birth, *birthplace, residence, race, and educational attainment* of the husband and wife;

b. County of decree;

c. Date *and type* of decree;

d. (SIGNATURE OF THE CLERK OF COURT; AND) *Place and date of marriage;*

e. Date (SIGNED) *of separation;*

- f. *Number and ages of children of marriage;*
- g. *Amount and status of maintenance and child support;*
- h. *Custody of children;*
- i. *Income of the parties;*
- j. *Length of separation and length of marriage; and*
- k. *Number of previous marriages and reasons for ending the previous marriages (death, dissolution, or annulment).*

*The commissioner may publish data collected under this section in summary form only. The statistical report form shall contain a statement that neither the report form, nor information contained in the form, shall be admissible in evidence in this or any subsequent proceeding."*

Page 1, line 26, before "*Before*" insert "*On or*" and after "*Before*" insert "*the time*"

Page 2, line 1, delete "*petitioner's attorney*" and insert "*moving party, if other than the petitioner,*"

Page 2, line 2, delete "*return to*" and insert "*file with*"

Page 2, line 5, after the period, insert "*The clerk of court shall not refuse entry of a decree on the basis that the statistical report form is incomplete. Neither the statistical report form, nor information contained in the form, shall be admissible in evidence in this or any subsequent proceeding.*"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Vanasek from the Committee on Judiciary to which was referred:

S. F. No. 1454, A bill for an act relating to public welfare; authorizing the commissioner to enter into interstate adoption compacts; establishing procedures for interstate assistance payments; amending Minnesota Statutes 1983 Supplement, section 256B.06, subdivision 1; proposing new law coded in Minnesota Statutes, chapter 259.

Reported the same back with the following amendments:

Page 5, line 24, delete "they" and insert "the adoptive parents and the child"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

### SECOND READING OF HOUSE BILLS

H. F. Nos. 63, 1230, 1284, 1285, 1400, 1547, 1554, 1579, 1638, 1665, 1806, 1902, 1935 and 1950 were read for the second time.

### SECOND READING OF SENATE BILLS

S. F. No. 1454 was read for the second time.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 1853, 1859, 1905, 1954 and 1974.

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. 1473.

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. 1642.

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. 1815.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1853, A bill for an act relating to veterinarians; permitting certain University of Minnesota employees to perform certain duties; amending Minnesota Statutes 1982, section 156.12, subdivision 2.

The bill was read for the first time.

Carlson, D., moved that S. F. No. 1853 and H. F. No. 1822, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1859, A bill for an act relating to commerce; requiring insurance for motor vehicle service contracts; requiring motor vehicle service contract providers to file certain forms; prohibiting the issuance of motor vehicle service contracts in certain circumstances; authorizing the commissioner of commerce to adopt rules; proposing new law coded in Minnesota Statutes, chapter 65B.

The bill was read for the first time.

Quinn moved that S. F. No. 1859 and H. F. No. 1820, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1905, A bill for an act relating to crimes; providing penalties for falsely reporting a medical emergency and for interfering with emergency communications over a citizen's band radio channel; imposing a penalty; amending Minnesota Statutes 1983 Supplement, section 609.78.

The bill was read for the first time.

Nelson, D., moved that S. F. No. 1905 and H. F. No. 2198, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1954, A bill for an act relating to elections; making procedural changes; correcting erroneous and obsolete provi-

sions; amending Minnesota Statutes 1982, sections 200.02, subdivision 7; 201.021; 201.061, subdivision 2; 203B.04, subdivision 4; 203B.06, subdivision 4; 204B.27, subdivisions 2 and 3; 204B.28, subdivision 2; 204B.29, subdivision 1; 204C.27; 204D.11, subdivision 3, and by adding a subdivision; 206.15; 208.04; Minnesota Statutes 1983 Supplement, sections 203B.12, subdivision 2; 204B.36, subdivision 2; 204C.10, subdivision 1; 204C.32, subdivision 2; and 204D.11, subdivisions 1 and 5; repealing Minnesota Statutes 1982, sections 201.018, subdivision 1; 204C.11; and 204C.30, subdivision 2.

The bill was read for the first time.

Welle moved that S. F. No. 1954 and H. F. No. 1871, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1974, A bill for an act relating to commerce; clarifying the limitations on enforcement of indemnification agreements in construction contracts; amending Minnesota Statutes 1983 Supplement, sections 337.01, subdivisions 2, 3, and 4; 337.02; 337.03; and 337.05, subdivision 2, and by adding subdivisions; and Laws 1983, chapter 333, section 6; proposing new law coded in Minnesota Statutes, chapter 337.

The bill was read for the first time.

Norton moved that S. F. No. 1974 and H. F. No. 2151, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1473, A bill for an act relating to real property; allowing service of summons upon dissolved domestic corporations; amending provisions related to the abolition of dower and curtesy; amending Minnesota Statutes 1982, sections 508.16, subdivision 1; 519.09; and 519.101.

The bill was read for the first time.

Ellingson moved that S. F. No. 1473 and H. F. No. 1902, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1642, A bill for an act relating to highway traffic regulations; providing for breath tests to be administered using an infrared breath-testing instrument for the purpose of determining the presence of alcohol or a controlled substance; authorizing the results of infrared breath-tests to be admissible into evidence in civil and criminal hearings; amending Minnesota Statutes 1982, sections 169.01, by adding a subdivision; 169.121, subdivision 6; 169.123, subdivisions 4, 5a, and by adding a sub-

division; Minnesota Statutes 1983 Supplement, sections 169.121, subdivision 2; 169.123, subdivisions 2 and 3; proposing new law coded in Minnesota Statutes, chapter 634.

The bill was read for the first time.

Vellenga moved that S. F. No. 1642 and H. F. No. 1638, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 1815, A bill for an act relating to hospitals; giving various public hospital authorities the powers of nonprofit corporations; proposing new law coded in Minnesota Statutes, chapter 144.

The bill was read for the first time.

Clawson moved that S. F. No. 1815 and H. F. No. 1892, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

#### MOTIONS AND RESOLUTIONS

Gustafson moved that the name of Berkelman be stricken as an author on H. F. No. 1141. The motion prevailed.

Greenfield moved that the names of Wynia, Staten and Reif be added as authors on H. F. No. 1966. The motion prevailed.

Vellenga moved that the name of Segal be added as an author on H. F. No. 2041. The motion prevailed.

Graba moved that the name of Segal be added as an author on H. F. No. 2069. The motion prevailed.

Brinkman moved that the name of Brandl be added as an author on H. F. No. 2134. The motion prevailed.

Skoglund moved that the name of Blatz be added as an author on H. F. No. 2148. The motion prevailed.

Dimler moved that the name of Neuenschwander be added as an author on H. F. No. 2322. The motion prevailed.

Kelly moved that the name of Segal be added as an author on H. F. No. 2323. The motion prevailed.

Gustafson moved that H. F. No. 1141 be returned to its author. The motion prevailed.

Staten, Norton, Bishop, Gustafson and Clark, K., introduced:

House Concurrent Resolution No. 11, A house concurrent resolution requiring the establishment of an affirmative action plan for the legislature; requiring employment of an affirmative action officer.

The concurrent resolution was referred to the Committee on Rules and Legislative Administration.

#### ADJOURNMENT

Eken moved that when the House adjourns today it adjourn until 11:00 a.m., Friday, April 13, 1984. 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, April 13, 1984.

EDWARD A. BURDICK, Chief Clerk, House of Representatives